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Trading with Colombia and Venezuela

with Notes on Curaçao

By JAMES CORMACK

Canadian Government Trade Commissioner in Cuba

Price **25** cents



DEPARTMENT OF TRADE AND COMMERCE,
OTTAWA, CANADA

Hon. JAMES MALCOLM, Minister F. C. T. O'HARA, Deputy Minister

COMMERCIAL INTELLIGENCE SERVICE

C. H. PAYNE, Director

TRADING WITH COLOMBIA AND VENEZUELA

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By JAMES CORMACK

*Canadian Government Trade Commissioner
in Cuba*

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DEPARTMENT OF TRADE AND COMMERCE
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1928

TRADING WITH COLOMBIA AND
VENEZUELA

BY JAMES C. BAKER
Special Assistant to the Secretary
of the Treasury

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TRADING WITH COLOMBIA

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TRADE NOTES ON CHINA

TRADING WITH COLOMBIA

I

Introductory

Havana, November 20, 1927.—The Republic of Colombia is the only country in South America which has a coastline on both the Pacific and the Atlantic Oceans, and it possesses every variety of climate. It is bounded by Panama and the Pacific Ocean on the west, by the Caribbean Sea on the north, by Venezuela and Brazil on the east, and by Peru and Ecuador on the south, and has an area of about 500,000 square miles. The population is roughly 7,000,000, or about six persons per square kilometre. The population consists almost entirely of native elements—white, Indian, half-breed and negro. The white race, either pure or mixed with other races, predominates, the pure Indian amounting to 7 per cent and the pure negro to 5 per cent. The population is densest on the cool plateaux, in the valleys with an equable climate, and on some parts of the coast. Bogota, the capital, has a population of over 200,000 inhabitants; Medellin, 100,000; Barranquilla, 70,000; Cartagena, Manizales, and Cali, 50,000 each; and there are a few other cities with over 30,000. Cartagena is distant from New York about 1,900 sea miles, and is less than forty hours' steaming from Kingston, Jamaica, which is the nearest port of call of any regular steamship lines at present from the east coast of the Dominion. From British Columbia, however, two steamship lines pass through the Panama Canal. Cartagena is 265 miles from Colon by sea.

TOPOGRAPHY

Colombia is divided topographically into three main divisions, cut by three ranges of the Andes. There are the coast regions both Atlantic and Pacific, the vast mountainous interior containing the capital, and the low-lying eastern and southeastern territory of open grassy plains and dense tropical forest. In turn, these three sectors divide readily into nine separate and distinct commercial districts differing in climate, racial characteristics, and economic problems, and are represented by the following nine cities: Barranquilla, Cartagena, and Santa Marta on the Caribbean; Medellin, Bogota, Cucuta, Bucaramanga, and Manizales in the interior; and Cali near the Pacific side. The two well-known seaports of Puerto Colombia and Buenaventura are mere ports of entry and, apart from that, of no importance commercially.

NOTES ON THE MORE IMPORTANT COMMERCIAL DISTRICTS

Barranquilla.—This city, situated near the mouth of the Magdalena River, the great artery of commerce in Colombia, and seventeen miles from the ocean port of Puerto Colombia, which is connected to it by railway, is so favourably situated as to command about two-thirds of the imports and three-quarters of the exports of the country. At the present time about \$2,000,000 is being expended in diverting the sandbar which prevents shipping from entering the river and going direct to Barranquilla, and it is intended to spend an additional sum of roughly \$4,000,000 on the erection of jetties and wharves, and new customs and storage houses. A new sewage and water system is being installed, and it is proposed to pave the streets, which are now in very bad condition.

For the next five years therefore there should be a good demand for construction hardware. There is no street railway system, but a municipal motor bus service connects with the suburbs. The business element comprises Syrians, Colombians, Germans and Italians, and a few Americans. The majority of the lower-class people are negroes. Quality goods are not saleable. The demand for staple foodstuffs is largely supplied locally. Cotton textile mills, breweries, cigarette and carbonated water factories, flour and saw mills and tanneries, and a cement plant, are the chief manufacturing industries.

Cartagena.—This ancient seaport is a little over 60 miles southwest of Barranquilla, has a population of over 50,000, and is the entrepôt for the fertile plain which lies behind it and to the borders of Panama. It is connected with the Magdalena River by a railway, by a motor road in dry weather, and by a natural canal in wet, which join the river at Calamar. The oil, platinum, gold, tobacco, cotton, coffee, timber, rice, and cocoanuts of the hinterland all serve to make Cartagena increasingly important. The population is mostly negro. Heat, fevers, and tropical anæmia combine to make labour difficult and costly. Merchants, however, are optimistic about the port's future. The harbour is landlocked. An English company operates the piers, wharves, storage, and general port facilities. The city has factories similar to those mentioned in Barranquilla, and in addition a large sugar refinery and new confectionery and wire and wire nail factories. The last-named turns out about 25 tons of nails per month made from raw material imported from Germany.

Medellin.—This is the capital city of the large and productive Department of Antioquia, which has 3,000,000 inhabitants, who are regarded as the most practical, thrifty, and progressive in the Republic. As the name Antioquia would seem to indicate, they are reputed to be descendants of Spanish Jews who are supposed to have settled there in Colonial times and preserved their race from much intermixture with local Indians or the negroes of the coast region. The climate of the department is bracing on account of its elevation (3,000 feet and over) and the health conditions are excellent. Three ambitious public projects have been inaugurated, which when completed should considerably increase the distributing and loading influence of the Medellin district. One is a roadway running to the Gulf of Uraha, another the tunnelling of the La Quiebra mountain which obstructs the railway running between Medellin and Puerto Berrio on the Magdalena River; and the third is a railway to the navigable Upper Cauca River, which can give Medellin access to the Pacific Ocean through Cali. There is considerable manufacturing: iron castings, tilling implements, fibre coffee bags and twine, produce mills, and a host of other smaller manufactures thrive under the protection afforded by the tariff and high transportation costs. Nevertheless the local population is strong in purchasing power, and there is a certain market in quality goods and domestic conveniences, so that the district is of considerable importance to exporters.

Bogota.—The capital city of Bogota is located in the central part of the country, 9,000 feet above sea level. The climate, especially in the evenings, is cold. The people are well dressed, the stores up-to-date, and many of the buildings quite imposing. When the river is left at Giradot and entrainment is made for Bogota, rising lands whose appearance and crops are quite unlike what might be expected at the equator are traversed. Wheat, potatoes, and fruits and vegetables of northern latitudes appear to thrive. The climate has a marked effect on imports, making saleable such articles as overcoats, woollen goods, rubbers, and furs, and providing plentiful domestic supplies of fresh milk, butter, eggs, cheese, hams, beef and the like. The city has attracted many of the wealthier Colombians, who, having made money in other parts, settle down in Bogota, frequently opening small notion stores, which require little experience or knowledge in operation. The population is largely pure white or whites



with some Indian blood. There is an almost entire absence of the negro element. It is, as has been stated, the seat of Government, and in order to obtain results in tendering for public works and other contracts it is necessary to have someone on the spot able to treat with the responsible authorities and in other ways to advance the interests of the tenderers. The Government departments will not even acknowledge receipt of communications soliciting business or samples sent by post. As the projected public works are so extensive, and in view of the now contemplated Government loan of \$100,000,000, the following Colombian loans issued in New York during the last three years and to the beginning of this year, aggregating \$82,000,000, may be quoted:—

8 %	City of Medellin, 1924	\$ 3,000,000
8 %	City of Bogotá, 1924	6,000,000
8 %	City of Barranquilla, 1925	500,000
7 %	Department of Antioquia, 1925	3,000,000
7 %	Department of Antioquia, 1926	6,000,000
7 %	Department of Antioquia, 1926	3,000,000
7½ %	Department of Caldas, 1926	6,000,000
7½ %	Department of Caldas, 1926	4,000,000
7 %	Mortgage Agricultural Bank, 1926	3,000,000
7 %	Mortgage Agricultural Bank, 1926	3,000,000
7½ %	Department of El Valle, 1926	2,500,000
7 %	Mortgage Bank of Colombia, 1926	6,000,000
7 %	City of Medellin, 1927	3,000,000
†Credit granted to National Government at end of		
	December for railway, port, and other public works..	10,000,000
7 %	Cundinamarca	6,000,000
7½ %	Department of El Valle	3,500,000
7 %	Department of Antioquia	8,000,000
8 %	City of Bogotá	4,000,000
8 %	City of Barranquilla	1,500,000

Several additional departmental and municipal loans are projected.

COMMUNICATIONS AND TRANSPORT

The Magdalena River.—The Magdalena River—or “the River” as it is more commonly known—is the main artery of Colombian commerce. It rises in the Andes, passes north through more than three-fourths of the central part of Colombia, is navigable for nearly 1,000 miles, but is divided into three distinct sections. The first or Huila section is very shallow; the second or upper river (from Giradot to Beltran) is separated from the third or Lower River by impassable rapids and joined by an extension railway; while the lower (from La Dorado to the Coast, over 600 miles) is wider and has a navigable channel which may alter its course overnight, and to miss which means grounding on the sands for a weary wait till rain floats the boat off again, or till the channel sifts back. There are about a hundred locally built stern-paddle river boats plying on it, carrying both freight and passengers, and taking from nine days to nine months for the single upward journey. They draw about 3½ feet when loaded to capacity—i.e., carrying about 80 tons. At Barranquilla the river is about 60 feet deep, but at its mouth eight miles farther on it is about six feet deep on account of a large sandbar which accumulates there. An American company is at present working on a big engineering scheme whereby two long piers will (with the four-and-a-half-mile current of the river) carry the sand beyond the edge of a deep sea ledge where it is hoped it will deposit itself without interruption to ocean-going ships. In the meantime when the river goes dry, as it did for six months last year, the freight congestion at Puerto Colombia and all along the river is very great, ships having to wait nearly a week for berthing accommodation at the pier, and goods taking nearly a year to reach Bogota. This is one of the reasons why the interior merchants require long credits; they have to pay out the heavy customs duties in cash at the ports and often cannot recoup themselves for many months, and there is a risk that their goods may not arrive in saleable condition at their ultimate destination.

RAILWAYS

The railways of Colombia have in the past been largely built, financed and operated in easy and profitable places by English companies, under concession contracts. Since the war, however, the Government have been borrowing money and constructing national lines, and there is a disposition to expropriate private railways or not to renew expiring concessions. Private owners are accordingly spending the minimum on upkeep and are making no improvements. There are seventeen separate railways in Colombia, but as a Bogota banker pointed out, "they all run nowhere", the placating of competing communities and interests rather than a bold and consistent economic policy for the country as a whole having frequently dictated construction. In the past five years roughly \$80,000,000 have been spent on railways in the Republic; there are 4,000 kilometres of national railways and 300 kilometres of privately owned. Instead of building from the coast and letting the railways do their own constructional haulage, the materials are carried expensively inland, building radiating outwards.

ROADS

Colombia is badly off for good roads, these extending to only about 1,500 kilometres suitable to motor vehicles. They are costly to build owing to the nature and extent of the country to be served. In 1926 over 150 miles of motor roads were built, and there are under construction one from Bogota to Velez and one of 200 miles from Medellin to Ureba on the Atlantic coast, which will greatly facilitate traffic when completed. There are 12,000 motor vehicles registered in Colombia.

AVIATION

A great convenience to travellers is to be found in the existence of good hydroplane services between Barranquilla and Giradot, and Baranquilla and Cartagena. The former journey occupies about eight hours and cuts out the dreaded river trip to Bogota and Medellin, while the latter facilitates connections by sea and by land when the road is impassable on account of rains. The former trip costs \$200 inland, and on account of river competition on the easier return journey \$125 additional if a return ticket is taken. The latter trip occupies about an hour, returns the same day, and costs \$45. Baggage is free up to 20 pounds, but in excess of that costs at the rate of \$5 per kilogramme, and it is usually forwarded separately by river boat. Personal weight also if over 80 kilogrammes, is paid for as excess. A German company owns the hydroplanes, and they are efficiently and carefully operated by German pilots.

POSTAL AND TELEGRAPHIC SERVICE

These services are government operated, but mule transport, short railways, bad roads and fickle rivers all tend to make deliveries unreliable and uncertain. Letters should always be registered, and, if at all urgent, should be sent by "correos aereos" inland. Special stamps for this excellent service cost 15 cents extra for each half ounce and should be obtained in advance from agents of exporters. (The British Post Office authorities have made arrangements to sell these in London.) The telegraphic service is slow and rates vary according to speed in delivery. The air mail service is said usually to beat the telegraph. Long distance telephone services make use of the telegraph lines. There are several wireless stations at the larger cities in the Republic, the one near Bogota being the most powerful in South America, while at Cartagena and at Buenaventura there is a submarine cable station connecting the Republic with foreign countries. An aerial cable between Manizales and Mariquita, near the river Magdalena, is operated by an English company and

provides an excellent goods service. The National Government is also constructing an aerial cable between Cucuta and the Magdalena, to enable goods to be transported more easily and quickly between the river and the rich district of Santander del Norte. The Department of Caldas is constructing an aerial ropeway between Manizales and Riosucio, and also a line between Manizales and Choco. This Department raised two loans in New York, one of \$4,000,000 and the other of \$6,000,000, for these works and a railway. The Department of Antioquia will shortly be constructing a ropeway to connect Medellin with the Pacific ocean. The chief engineer of the National Government Railway Department is a well-known British expert. The engineers in charge of the departmental ropeways mentioned above are also British.

II

Notes on Imports

FOODSTUFFS

Apples.—Apples are supplied to Colombia by the United States, but the trade is not large, and is confined to barrel shipments. The main difficulties in trying to increase sales are the rapid deterioration on account of the climate, and the high price. There were none in the market when the writer was in Barranquilla in September, but he was informed that they retailed around 40 cents per pound, never less than 20 cents.

Butter.—The importation of butter is relatively small, averaging yearly about 5,000 pounds, and the consumption is largely confined to foreigners and better-class natives. The United States has about 80 per cent of the trade; Denmark the remainder. Most of the local butter is quite good and is sold fresh for around 50 cents per pound, but one factory is turning out tinned butter as well. The one-pound can is most popular, and is usually shipped in cases of 50 and 100 cans.

Beer.—There are fifteen breweries in Colombia, requiring supplies of hops to the value of \$8,000 per annum. They produce a good beer acceptable to the Colombian taste, and only intensive advertising, competitive price, and good quality would enable a Canadian beer to obtain a foothold.

Confectionery.—Boiled hard candies and sweets are largely consumed. Some is made in the country. The average price runs about 10 cents per pound f.o.b. New York. The packing is mostly in 5-pound square tins. Some tinned candies also come from the United Kingdom in more expensive qualities. The market for chocolate sweets (which must be wrapped in tinfoil) is seasonal, lasting from September to Christmas, and is confined largely to gift boxes. The size and appearance of the box therefore count for more than the contents. Nearly every town has its chocolate factory, and it is difficult to sell imported bar chocolate. There is a good demand for 5-cent packages of such sweetmeats as "Life Savers".

Eggs.—Last September eggs were retailing in the Atlantic coast towns at 8 cents apiece, despite the fact that in the interior there were plenty and that only ocean freight rates were incurred.

Flour.—Corn meal was at one time a serious competitor of wheat flour with the native trade in Colombia, but it is not so now. Formerly flour sold only in the cities, but now the sale is all over the country. Very little Canadian flour was seen, but many of the importers were of the opinion that considerable flour imported from the United States was milled from Canadian wheat. The Pillsbury and Washburn-Crosby companies appear to do most of the business.

The popular "Gold Medal" brand of the latter company was selling at \$5.70 c.i.f. Puerto Colombia per sack at the end of September, 1927, 60 to 90 days' credit was allowed. Packing should be in sacks of five bags of 25 pounds each. The market is one that should interest Canadian flour exporters, as a recent tariff reduction has stimulated its importation as against wheat and locally milled flour. The only flour mill in Cartagena has recently closed down as a protest against the reduction of the duty; that city was particularly interested in flour. An intensely white flour is preferred in this country.

Hams and Bacon.—There is a fair market for imported hams, which are largely from the United States. In order to sell they must be packed in sealed tight covers to avoid shrinkage, and be heavily smoked. There is little sale for bacon.

Lard.—This year the Government reduced the duty on animal lard from 8 cents to 5 cents per kilogramme. This does not apply to lard compound which pays 10 cents duty, and is therefore difficult to sell. The normal imports of lard are about 7,000,000 pounds per annum, while approximately only about 2,000 pounds of compound are imported. The big market is at the coast, the interior being supplied from three American packers with local branches who do nearly all the business. Lard is sold in 5-gallon cans, two to a case. The price of pure liquid lard early in October was \$15.12½ per 100 pound f.o.b. New York. There is a fair sale of linseed oil in Colombia.

Milk.—There are large numbers of cattle in Colombia, and milk is fairly plentiful, although unsanitary conditions and handling make it unsafe for children, and inadvisable even for adults unless boiled. Milk to the value of about \$100,000 per annum is imported, the ratio of condensed being roughly as two is to one of dried milks. The big trade is for use as infants' food. The best sellers are "Phosphatine" (French) in one-pound tins, retailing at 60 cents; "Leeche Dryco" (United States), tins of 340 grams retailing at \$1; "Horlick's Malted Milk" in 7-ounce tins retailing at 80 cents; and "Glaxo", in tins of 316 grams retailing at \$1.30. All packages and tins of infants' food must contain not more than 11 ounces and must be labelled in Spanish, with date of packing, and the last date on which the contents will be good for food, or a statement that it will keep wholesome indefinitely.

Condensed milk that may be employed as food for children must comply with the following conditions:—

- (1) That it contain a proportion of fat not less than 9 per cent.
- (2) That it does not contain antiseptics or other foreign substances, except sugar, that may be used for its conservation.
- (3) If the milk does not contain sugar it should be sterilized in its container (tin), which should be stated on the label or certificate.

Condensed milk must be contained in soldered tins bearing a label or mark in Spanish, on which is stated that the milk has not been skimmed (cream removed), the proportion of fat it contains, the date on which it was packed, and the maximum time in which it can be utilized in good condition.

Condensed milk, skimmed, must be canned in the same way and bear label or mark stating in clear letters that it is deprived of fat, in whole or in part, and cannot be employed as food for children without a medical prescription. Skimmed milk given for consumption without this requisite will be confiscated.

Powdered milk must be brought in soldered tins and with a label in Spanish on which is indicated whether it is skimmed or not (cream removed), and in this case the quantity of fat it contains. On that which is skimmed it must be stated that it cannot be employed as food for children without a medical prescription. If given for consumption without these requisites, it will be confiscated. For the skimmed milk as well as that which is not skimmed, it must be stated also the date on which it was packed, and the maximum time in which it can be used in good condition.

Consuls of Colombia abroad will not visé any invoice of converted milks unless these are accompanied by a certificate in which it is stated that conditions have been fulfilled in conformity with the dispositions for the preparation and consumption of food products demanded in the respective country of origin.

Products which do not in all respects conform to this decree will be confiscated in the Customs and advice of this will be given to the Director of National Hygiene and Public Service.

Fish.—On the whole, Colombians are not fish eaters except during Lent, and, as they catch plenty of fish on the coasts, and consume little or none in the interior, the value of the import is small. Codfish is too dear to import. Sardines are in some demand, as is canned salmon, but exporters are advised to build up their trade slowly and solidly.

Potatoes.—The United Fruit Company bring weekly shipments of potatoes to Barranquilla and Cartagena, and it is cheaper to import them than to pay the freight from the higher regions of Colombia, where ofttimes they are a glut on the market. Schooner loads from the Maritime Provinces would be quite impracticable for Colombia. Cool storage accommodation would be necessary for the development of such a trade.

Sugar.—Very little imported sugar was seen in Colombia. Some confectioners' "A" quality is imported for candy factories. At Cartagena a current price at the beginning of October was \$4.95 c.i.f. sixty days per 100 pounds in barrels of about 350 pounds. This pack is preferred on account of the sugar readily absorbing moisture at the coast, which is very humid.

Wheat.—The Canadian exports of wheat to Colombia will probably lessen in future, and the imports of flour enlarge. Normally about 150,000 bushels of Canadian wheat go to Colombia, which is reported to have a general average yearly import of about 500,000 bushels. The milling industry is a fairly large one, and is economically sound in the districts where wheat and grain are grown.

MISCELLANEOUS IMPORTS

Box Shooks.—The only large demand in Colombia for shooks originates with the Tropical Oil Company in Cartagena. This company is known in Canada as the International Petroleum Company, 56 Church street, Toronto, from whom specifications and other data may be obtained.

Cement.—Despite the fact that there are large deposits of cement material in the Santa Marta district, and several domestic factories, Colombia is a large importer of cement, nearly all for use by the Public Works Department. For Government purposes imports are brought in in wooden barrels of 126 pounds net weight, with waterproof paper lining.

Calcium Carbide.—The majority of Colombian cities now have their own electric lighting systems. Water-power is being developed throughout the country. The demand for calcium carbide is relatively small and lessening, the use being largely confined to cycle and farm house lighting.

Drugs and Chemicals.—Carbonate of soda is in demand for druggists and textile factories. The price was recently around \$10.10 per cwt. laid down in Bogota. Bicarbonate of soda for soda water factories, of which there are over forty in Colombia, is in much greater demand. It costs about \$11 per cwt. For use in the thirty soap factories a great deal of soda ash, caustic soda, chlorine, and silicate of soda is imported. Sulphuric, hydrochloric, and nitric are the acids mostly used. The first has a ten-to-one sale lead over the others, and is shipped in bottles of 175 pounds net in boxes. The price was 3¼ cents per pound plus \$5.50 for the bottle f.o.b. United States ports. The second is similar, except that the bottle contains only 115 pounds, while the nitric price was 7¼ cents with a bottle containing from 132 to 135 pounds. In September last German firms were offering a concession of one-third of the ordinary freight rates in order to induce trade. Normally acids are subject to double freight rates. Austrian merchants were then offering acetic acid at about 19 cents

c.i.f. Puerto Colombia. There is a big market for drugs and pharmaceutical preparations of all kinds, but these must be well advertised. American drug houses give long credit, never less than sixty days' sight and up to 180 days.

New regulations are being enforced regarding the sale of pharmaceutical preparations in Colombia. On domestic manufactures the decree will become effective at the end of this year, and on imported preparations as from July 1, 1928. Under the new decree each preparation, whether foreign or domestic, must bear the manufacturer's mark or label printed in Spanish, giving the licence number (to be obtained only from the Pharmaceutical Commission), the ingredients of the preparations, and an indication showing whether they may be used freely or only according to medical prescription. It is forbidden to describe any preparation as infallible in the treatment of disease or as the only efficacious remedy in existence. Before any pharmaceutical preparation can be sold, a chemical analysis must have been made and a certificate granted by the *Comision de Especialidades Farmaceuticas*. Two samples of each preparation must be submitted for the analysis. The cost amounts to about \$100 for each item, and the procedure is usually carried out for overseas firms by special lawyers in Bogota.

Textiles.—These constitute the largest item of import, and also one of the largest manufacturing industries in the country. Cheap cotton print and drill goods in 20-yard lengths are most in demand; the trade is largely in the hands of the United States and the United Kingdom. There is some demand for tropical suitings, duck and shirtings, and also for medium-grade muslins, ginghams, cashmeres, sheetings, and the like. The demand for silk and artificial silk goods, both in the piece and in hosiery, is rapidly increasing, but is handicapped by the tariff, which makes them expensive. Last year Great Britain alone shipped over 2,000,000 square yards of artificial silk mixtures to Colombia.

Automobiles.—Canada has a fair trade in motor cars, valued at half a million dollars per year, or roughly one-sixth of the total. There are 16,000 motor vehicles registered in the country, and there would seem to be a good future for cars, especially in view of the projected highway development. There are only 2,000 kilometres of motor roads. Motor buses to the number of 300 ply for hire in the cities, and there are about 100 motor cycles registered. Ten years ago Ford and Dodge were the only overseas agencies in Colombia; now there are nearly forty.

Agricultural Machinery and Tools.—The demand for the various types of agricultural machinery in use is relatively small, but the scope is large. The extensive public works development program that is now being undertaken has attracted much of the manual labour from the fields, and farmers are now more interested in labour-saving tools and machines than they were a year ago. Wheat is grown in the mountainous regions, and threshing and other machines are saleable there. There is a big sale for hard corn-grinding mills with a single cutter, the market consuming about 20,000 per annum. The American-made "Corona" is perhaps the best known and costs about \$21 per dozen f.o.b. ports. The trade is worth about \$60,000 per year; mills are restricted in weight to 10 kg. on account of duties. A German mill was offering strong competition this year by reason of its cheap price. Machetes, axes, hoes, shovels and cultivators, small cane mills, coffee hullers and feed choppers are saleable in from large to medium quantities. Ploughs and axe handles are all of domestic make.

Boats.—The big demand is for river boats; Germany is the principal supplier. These have a 3-foot draft, with stern paddles, and spoon bows to negotiate the sand banks. Some small schooners and a few boats are built at the seaports. Some ten motor boats are imported each year, mostly for Government use. There are no yacht clubs and practically no pleasure boats in the country.

Footwear and Leather.—Leather is one of the domestic industries which has been successful; there are plenty of hides and good tanning material in

the country. The factories are turning out good fine leather, so that imports are lessening. The same progress is being made in shoemaking; nearly all the foreign residents say that they can get a satisfactory medium-priced shoe of domestic make. The high tariff in combination with the trying climate has restricted the sale of rubber-soled shoes. The inhabitants do not go in much for athletic sports, which might necessitate the wearing of rubber-soled shoes.

Furniture.—The market for imported furniture is limited by transportation costs, by the ravages of wood insect borers, and by domestic competition. Reed and rattan furniture, which is cheap and light, is imported from Central Europe and transported inland. The rounded bentwood Vienna rocker is seen everywhere. On the coast some American cheap furniture is sold, mostly cane-bottomed chairs. Many white enamel tubular beds, some with brass ornamentation, were seen in stock, a good number being of the well-known Simmons make. Domestic carpenters and factories can turn out a good 16-piece mahogany suite for \$400, and these supply most of the trade. Steel office furniture is in fair demand, but finds strong competition from similar goods in mahogany. This is especially true in the interior, where high freights add to the large initial costs of imported supplies.

Glass.—The big market for glass bottles is for use of the breweries and aerated water factories. Supplies are coming from Austria and Czechoslovakia at the very cheap price of from \$4.50 to \$5 per gross c.i.f. There is also a big demand for crown corks. The window glass is shipped packed 100 pieces to a wooden box, sizes up to 27 by 35 inches. Each piece has a cheap paper sheet on both sides, the 100's being divided into 25's wrapped in heavy paper tightly tied, and each 25 again wrapped in straw and tied. The whole fits tightly into the box, which is heavily cleated.

Hardware and Tools.—Most of the tools come from the United States. There is a specially good selection of aluminumware, and much cheap enamelware from Sweden. Nails are largely Belgian, while scissors, knives and cutlery are from Germany, as well as several other small cheap lines of hardware. Electrical domestic utensils come largely from the United States, fancy glass fittings are best and cheapest from Central Europe. Earthenware and enamelled water filters are in good demand. Shoemaker's hardware sells well. Sanitary fittings, piping, valves, bolts, nuts, galvanized sheeting, paint and cleaning brushes, ice cream freezers, and refrigerators, are all readily saleable in the cities.

Iron and Steel.—There is a big market for bar iron of all sorts, especially round bar iron for forges and for reinforcing, in sizes from $\frac{1}{4}$ to 1 inch. The price is around \$35 c.i.f. from the United Kingdom and Belgium. The market for corrugated iron sheets is also large. Bridge materials of all kinds are in demand. The advertisement for Government Tender No. 9, published some time ago, called for the construction of fifty-seven bridges. Locomotives 4-8-0 with tender weighing about 85 tons, and with a traction force of about 27,500 pounds, are being used. For these the Belgians were quoting cheap prices: £4,000 to £5,000 each c.i.f. Puerto Colombia. They are carried on ships and landed set up ready to go on rails. Wooden box cars with steel underframes are mostly used. They are of 25 tons capacity, about 11-ton tare, with forged steel, not cast iron wheels, which do not suit the country. There are only five mills of standard gauge (at Barranquilla) in Colombia. Generally speaking, the gauge of railways on the western side of the Magdalena is 3 feet; on the eastern side 1 metre (3 feet $3\frac{1}{8}$ inches). For Government structural work, there is a demand for 25-50 feet beams of various weights, "I" beams being used for uprights.

Machinery.—There is a good market for compressors and machinery for road making, textile mills, coffee grinding, sugar making, flour milling, and

woodworking. In the case of electrical machinery it is essential to have an agent with special knowledge. The Government and the municipalities are the only purchasers and their requirements are filled mostly by means of advertised specifications and tenders, of which prompt (if not advance) information is absolutely necessary to enable overseas firms to have a chance of securing business. The General Electric Company have their own offices in Colombia and control most of the business. All the street cars in Bogota were supplied by them; the last forty were single control cars. Two hydro-electric power plants (La Compañía St. Pierre and La Compañía Nacional) supply light and power to Bogota and district, while the tramways have their own power station. The municipality have taken over these two companies and the tramways are also to be merged in it. Power is 60 cycle 3 phase, for motors 260 volts and for lighting 110 volts. Both power and light are reasonably cheap. In time there will be a good demand for electrical appliances and fittings. The market buys on price with six months' credit. Germany has been practically the only competitor of the United States. In Cartagena current for lighting is 220 volts, while for power it is 380, 3 phase, and all 50 cycle. In Barranquilla the power plant owned by the influential Obregon family was sold out recently to an American concern. There is normally a big market for rails; but Belgian firms were quoting \$17.30 per ton, and shutting out all competitors. Road-making machinery of all kinds, such as crushers, mixers, tractors, etc., are sold to a considerable extent in Colombia. Much of the paving and of the building in the cities is concrete.

Lumber.—There is a vast amount of merchantable lumber in Colombia, mostly mahogany, cedar and native hardwoods. The market for imported lumber is therefore relatively small—about 2,000,000 feet per annum—and nearly all for southern yellow pine. Insects and the tropical climate are constant menaces to imported lumber and wood products. There is much building going on at the coast, where naturally imported lumber is best and cheapest, while native lumber is dearest, but very little importing is done in Barranquilla or Cartagena. In the latter city the biggest lumber importing firm in Colombia are located. They charter steamers and bring down cargoes of yellow pine. It is said to cost about \$15 to land, and is never retailed at less than \$120 per M.

Paper.—Paper in many forms is normally imported into Colombia. News-print from Vancouver was recently selling direct for the first time, and appearances pointed to the fact that the trade would grow, for the price was right, and the quality good. Bond and other paper trade might readily be worked up, provided a good agent were secured. A Montreal firm has made a beginning, but their prices are high in most lines as compared with those from the United States. Quality is a factor which counts but little. A large firm in Barranquilla are interested in buying Canadian wrapping paper, if exporters could compete with the German price of \$5.50 c.i.f. Puerto Colombia for 10 reams of 50 kg. packed flat.

Musical Instruments.—There is a good market for player pianos; for the large Victrola style of gramophone; and for records in tango and "jazz" time. Many American phonograph companies have their own branch offices in the republic. Guitars and similar stringed instruments are popular with the masses and are well made locally. Pianos and mouth organs are nearly all German.

Paints.—There is a good trade in paints. The Government (for the railways) is a large buyer and uses two kinds, one for tropical and the other for the cold regions. Standard colours are green for engines and red for coaches. The best class of paints costs about \$2.50 per gallon f.o.b.; \$1.14 is paid for rough paint for under carriages. An American firm were the suppliers. The Government prefers a c.i.f. price and will usually pay cash against documents

in New York. Quotations in short tons and "small" measurements make the best impression on buyers. There is very little domestic competition. The paint factory in Barranquilla is not very successful. The most popular paint for ordinary uses comes ready mixed, in 1-, 2-, and 5-pound tins. A considerable trade is done in small tins of enamels and varnishes of the "Sapolin" brand. The English paint trade is largely in the paste, white and red lead, and white zinc, especially the latter. All come in 25-pound sheet iron containers, except the red lead which is in powder form in small kegs.

Wire.—There is a good market for barbed wire coming mostly from Belgium. Plain wire fencing is also imported. Both wires should be of the cheapest kind. Belgian barbed wire costs \$3.50 c.i.f. for 100 pounds, while plain wire costs \$4.80. There is some demand for ornamental fencing, and fence posts in iron from the United States, but little or no trade in mosquito netting. Plain wire comes in small rolls of one pound, tied up in 100-pound rolls and protected by burlap.

III

Foreign Trade

The latest official trade returns, although printed in 1927, are applicable to calendar year 1924 and are therefore too old to be used here. Figures applicable to Canada are not separately entered, and are largely credited to the United States, through whose ports the goods are shipped. The Republic's trade totals for the years 1925 and 1926, issued unofficially, indicate an increase in volume. In 1925, imports totalled 351,795,123 kilograms valued at \$85,829,707, and exports 371,725,033 kilograms valued at \$84,363,382. Per capita of populations, imports represent \$12.40, and exports \$12.19. In 1924 the imports were nearly 40 per cent less and exports 16 per cent less. In 1926 imports (exclusive of parcel post goods) were valued at \$111,717,499, and exports at \$111,440,641, showing a considerable increase over both the previous years. Canada now appears both as buyer and seller, but the figures attributed to the Dominion are much less than they should be.

The returns of the Dominion Bureau of Statistics for the fiscal year ending March 31, 1927, show Canadian exports to Colombia valued at \$1,349,315 against \$683,700 in the previous fiscal year. In fiscal year 1927 exports of automobiles were valued at \$426,366; rubber tires, \$145,683; musical instruments, \$145,673; cotton duck, \$33,523; rubber boots and shoes, \$25,006; canned salmon, \$22,972; aluminum, other, \$26,077; cement, \$18,818; copper wire and cable, \$16,429; wallpaper, \$15,744; cordage, rope and twine, n.o.p., \$15,305; and canned fruits, including jam, \$13,591.

Normally about 80 per cent of the exports of Colombia go to the United States, and 50 per cent of the imports are from that country. Great Britain supplies about 25 per cent of the imports, more particularly textile fabrics of all kinds, and hardware. Germany and other Continental countries have a fair share of the import trade, the first-mentioned having made considerable progress in many lines. The revenue of the country (largely import duties) has shown a steady increase during the past four years as follows: 1922, \$21,876,558; 1923, \$33,315,105; 1924, \$33,470,338; and 1925, \$46,239,636. This increase, and the fact that foreign exchanges have shown no tendency to rise, indicate the satisfactory state of Colombian trade. With the gradual development of the Republic's economic activities, increasingly important openings for business will present themselves, and the fullest advantage may reasonably be expected to accrue to those Canadian firms who establish early a foothold in the market.

According to Colombian statistics the imports of the Republic for 1926 from the principal countries of consignment were as follows:—

United States	\$53,086,086	Equador	\$ 611,745
Great Britain	17,157,793	Denmark	459,819
Germany	13,093,727	Japan	451,697
France	6,499,232	Panama	302,075
Belgium	3,800,395	Switzerland	285,877
Italy	3,478,000	Costa Rica	191,653
Holland	2,494,963	Canada	147,303
Spain	1,995,172	Dutch West Indies	127,780
Venezuela	630,339		

Exports from Colombia for calendar year were sent to the following countries:—

United States	\$95,979,048	Spain	\$ 362,848
Venezuela	4,864,212	France	301,695
Great Britain	4,279,748	Panama	279,864
Holland	2,792,855	Italy	116,026
Germany	1,381,190	Switzerland	110,545
Belgium	885,760	Canada	107,769

Imports from Colombia into Canada were valued at \$1,117,046 in fiscal year 1927 against \$693,058 in the previous year, green coffee accounting for \$770,023 of the former total, and petroleum, crude, natural, for \$334,925.

PACKING

Good packing is of great importance in shipping to Colombia. The hazards of transhipment and of reloading, and the danger of pilferage en route, call for robust packing. On the other hand, the Customs Tariff is levied largely on gross weight, and packing should therefore be as light as possible. Goods requiring transport by mule-back should be in packages of not more than from 150 pounds to 175 pounds, and the measurements should not exceed 50 by 30 by 20 inches. Heavy and large machinery packages should be sectionalized in strong crates to avoid breakage and damage. Smaller goods liable to pilferage should be wrapped with wide-mesh thin flexible galvanized wire netting before packing. Compressed fibre suits the climate better than wood, and waterproof coverings are needed for inland deliveries. The exporter should seek and follow closely the advice on packing of his agent and customer. The packer should familiarize himself with the Colombian tariff classifications, so as to make sure that all the goods in the same package pay the same rates, otherwise they will all have to pay at the highest rate, unless all the shipping documents are carefully drawn apportioning the various net weights of contents accurately. Goods that are free of duty should be packed in containers made of materials of little value, otherwise the packing will be dutiable.

REPRESENTATION

In all the commercial centres in Colombia there are numerous manufacturers' agencies, both native and foreign. Of the foreigners perhaps the Germans are most numerous. They usually marry Colombian women, settle down in the country, and are therefore the best salesmen. The placing of an agency should be a matter of careful personal selection, and proof obtained of the agent's experience, ability and integrity. Personality counts for very much in Colombia in the securing of business. In an immense and diversified country, where the communications are admittedly bad, care should be taken to limit the extent of the agent's territory. He naturally wants the whole country and to appoint sub-agents in other centres, but split commissions are not conducive to results, and, as has already been pointed out, some of the different trading areas are detached and therefore warrant the appointment of separate agents.

Export commission houses in London, New York, and Continental cities also do a large share of Colombian trade except in textiles, which are handled largely by jobbing houses selling direct to the large importers. In Colombia most of the established storekeepers do not specialize in any particular lines, but carry nearly everything which commands a ready sale. They cannot buy with much knowledge of goods or overseas markets and prices, nor can they place large orders in any one line. Accordingly it is to their advantage to employ the services of the commission houses, which in many cases undertake to buy their coffee, hides, etc., and run a current account. The appointment of resident local commission agents would best suit the needs of the average Canadian exporter. Goods should not be shipped on consignment.

Colombia has excellent steamship communications with Europe and the United States.

BUYING SEASONS

Buying seasons in Colombia vary. The prospects for the Christmas trade, coffee crop prices, and the state of the Magdalena river, are the major factors affecting buying. In the interior, orders for the Christmas trade are placed as early as nine months before that time, but six months more or less suits the coast towns. Wholesaling importers usually sell at six months' time, payment being made to them about the end of the year, after the coffee crop is harvested. Generally speaking, salesmen report that the months from June to September are the best during which to canvas the country for orders, but Canadians contemplating a selling visit should consult the Supervisor of the Royal Bank of Canada at Bogota, or Dr. Alfredo Crotezar Toledo, Chief of the Natural Bureau of Information and Propaganda, Bogota, both of whom have the latest information and advice on all such matters, and will be pleased to give their help if so requested.

Mr. Lomax, H.B.M. Consul at Bogota, and the Supervisor of the Royal Bank of Canada there, and managers of their many branches, are all keen to assist Canadian exporters with advice and information about opportunities of doing business in Colombia. Senor Gonzales, the Colombian Consul General in Montreal, has also offered his help. The office of the Canadian Trade Commissioner in Havana, Cuba, has considerable information regarding importers, agents, etc., on record, and would welcome the opportunity to be of assistance in developing trade between Canada and Colombia.

BANKS, BANKING AND EXCHANGE

On July 20, 1923, the Colombian Government, using the first instalment—\$5,000,000—of the American indemnity, established the Banco de la Republica, a central bank of issue modelled along the lines of Federal reserve banks with some of the characteristics of the European central banks. This bank is to be the only bank of issue, the notes of other banks in circulation being gradually retired. The gold reserve is maintained at 60 per cent of the note circulation. At the end of 1926, the amount of gold reserve in Colombia was \$20,054,396, and in other banks \$22,546,578. The purposes of the bank are to aid private or member banks in times of emergency, the unification and guaranteeing of the national money, the control and regulation of the circulating medium, and the stabilization of foreign exchange. The bank at the time it was established was the means of averting a financial and banking panic, and since that time has had a very beneficial and stabilizing effect on general business and financial conditions.

In July, 1926 there were thirty banks in Colombia, including the Bank of the Republic, of which four were foreign. Of the twenty-five native banks, twenty were shareholders of the Bank of the Republic. During 1925 six banks went into liquidation.

The following table summarizes the position of the private banks in Colombia during the last three years:—

	June 30, 1924	June 30, 1925	June 30, 1926
Capital and reserve	\$21,083,000	\$23,134,000	\$25,497,000
Deposits	30,091,000	39,224,000	48,108,000
Commercial loans	40,603,000	49,214,000	58,620,000
Mortgage bonds	12,650,000	12,212,000	19,881,000
Loans on mortgage	14,541,000	15,851,000	25,458,000
Discounts in the Bank of the Republic . .	2,517,000	6,554,000	11,518,000
Savings Bank deposits	995,000	1,409,000	1,909,000

On June 30, 1926, the Bank of the Republic showed a net profit of \$1,075,080 as compared with \$789,238 in 1925 and \$214,243 in 1924, the year of its inception.

Loans and discounting operations rose from \$3,204,000 in 1924 to \$7,393,000 in 1925 and \$11,701,000 in 1926, the latter figure affording evidence of the bank's activity in allaying the crisis occasioned by the drought. The rate of interest on discounts charged to the shareholder banks was reduced from 12 per cent in July, 1923, to 7 per cent in March, 1924.

A group of five banks has combined to form a new bank with a capital of five million pesos with the object of specializing in the business of loans on mortgage.

The rate of exchange of the Colombian peso has remained stable, the £ sterling continuing at a slight discount. On occasions, the United States dollar, which is generally at a small premium, has also fallen below parity.

The Royal Bank of Canada (main office at Bogota) is the only Canadian bank operating in Colombia. It has branches in the following cities: Barranquilla, Medellin, Giradot, Cartegena, Manizales, and Cali. Other British banks operating in Colombia are: the Bank of London and South America Limited (affiliated to Lloyd's Bank Limited), and the Anglo-South American Bank Limited.

The currency of Colombia is on a gold basis, and is esteemed to be one of the soundest in the world. The par value of the American dollar is 97½ American cents to the Colombian peso, which is the unit of currency. Quotations may therefore safely be made in terms of the dollar. The fluctuations in exchange are normally unimportant, and are published weekly at the end of the *Commercial Intelligence Journal*.

IV

Customs Tariff, Documentation

The Colombian tariff has been in force since 1913 without any substantial alteration, but a new tariff is now before Congress. The chief contemplated changes are protectionist in policy for native industries, but the duties on necessities such as wheat, corn, flour, lard, sugar, barley, oats, potatoes, beef and pork, are to be reduced. The number of groups has been lessened and classification is clearer and simplified. The Constitution provides against sudden tariff changes, as follows:—

Any change in the customs tariff involving a reduction in import duties shall come into effect ninety days after the law establishing it has been sanctioned, and the reduction shall take place at the rate of 10 per cent monthly during the ten months thereafter. If the change involves an increase in duties, it shall be introduced at the rate of 33½ per cent monthly during the three months following the sanctioning of the law.

CONSULAR REGULATIONS

Consular invoices and bills of lading which are subject to stamp duties of 50 cents each, are required for all goods exported to Colombia. The former must be made out in quadruplicate in Spanish, and should be presented for

legalization at the Consulate at port of shipment, or nearest Consulate, at least twenty-four hours before the date of sailing. The bill of lading is required in duplicate, one stamped and one plain copy; one copy of the consular invoice and the stamped copy of the bill of lading duly certified, are returned to the shipper to be sent to the consignee for presentation at the custom house at port of entry, where the duties are paid. All invoices covering preserved foodstuffs and whisky must be accompanied by a certificate of purity. Consular invoice forms are obtainable from the Colombian Consulates at 20 cents per set of four forms, one invoice covering one shipment only (one mark).

SPECIFICATIONS ON CONSULAR INVOICE

Each invoice must be consigned by the shipper and specify:—

(1) Name of shipper and steamer, port of consignment, name of consignee, name of importer on whose behalf the shipment is made (goods may be consigned "to order").
 (2) Marks, total f.o.b. value of invoice in Colombian dollars, and approximate freight charges.

(3) Number, number of packages, description of package, net and gross weights in kilograms, and value of each article or group of articles; total number of packages, total net and gross weights and value.

When articles of different classes are included in the same package without specifying the weight of each article in the consular invoice, the custom house authorities are obliged to weigh the goods in order to collect the corresponding duties, and a further charge of 5 per cent is made. Shippers should, therefore, make the weight of each article clear in the invoice.

CONSULAR FEES

Invoices, 3 per cent of the net amount.
 Manifest, 15 cents per every 100 dollars of total value of cargo.
 Bill of health, 3 dollars.
 Passenger list, 3 dollars.

Invoices covering shipments exempt from consular fees must be accompanied by the original order and a copy; the original is returned to the shipper, and the Consulate retains the copy.

EXEMPTION FROM FEES

The following articles are exempt from consular fees:—

- (a) Articles ordered by the National Government or the government of a department.
- (b) Materials, machinery, and instruments ordered directly by a municipality for its public works.
- (c) Plants, live animals, agricultural seeds, and medicinal serums and vaccines.
- (d) Such railway industrial, or other material as may be specified in the respective contracts to be duty free.

Materials for the department railways and the National Government are exempt from tonnage dues.

PARCEL POST

The conditions are that the goods are admissible to the ordinary mails, that their importation is not prohibited by Colombian laws, and that they are subject to the postal conventions; a consular invoice is not required.

No parcel post package may weigh more than 22 pounds, nor exceed 3½ feet in length. The exact weight of each parcel should be entered on the customs declaration in order to facilitate passage through the customs of Colombia. The sender of a parcel post package or group of packages is required to post to

the consignee a duplicate invoice, preferably written in Spanish. The invoice should state:—

- (a) Place and date of posting.
- (b) Name and address of sender.
- (c) Name and address of consignee.
- (d) Number and description of parcels (package, box, etc.), with numbers and marks if any.
- (e) Description of contents of each parcel, or group of parcels, with the value and weight of goods of the same kind and the material of which they are made.
- (f) Gross weight of each parcel or group of parcels.
- (g) The selling price of each article or group of articles and the total value of the invoice.

At the end of the invoice, and before the signature of the sender, the following declaration must be inserted:—

"Under oath I (we) declare that the prices stated in this invoice are the actual selling prices." In Spanish: "Declaro (declaramos) bajo juramento que el valor dado a los artículos de esta factura es el mismo de la venta."

Invoices for parcel post do not require consular certification, and need not be presented at the post office where the parcels are posted. One invoice may cover several parcels if sent at the same time and to the same consignee.

Taxes on parcel post are as follows:—

Consular, 5 per cent.

Import duty as per tariff, plus 15 per cent.

Road and conversion fund, 7 per cent.

Municipal tax, 20 cents per package.

Stamp duty, 1 dollar per each folio of invoice.

These taxes are payable in Colombia and cannot be prepaid by sender.

SAMPLES

Samples are free from import duties provided:—

(1) That they have no commercial value; that is, are useless for any purpose other than for commercial propaganda.

(2) That samples of cloths, furs, and papers do not exceed 40 centimetres in length; oilcloth, 30 centimetres.

(3) That samples of cables, wires, battens, etc., do not exceed 8 centimetres in length.

(4) That ornaments, table services, etc., be rendered useless. Samples of other merchandise which cannot be rendered useless, such as wines, liquors, etc., pay import duties. A refund of duty, with a reduction of 25 per cent is obtainable, provided that the samples are re-exported within one year.

Shipments of samples must be covered by Consular invoices, and all samples sent by parcel post should be marked "Muestras sin valor" (samples without value).

LUGGAGE

The maximum amount of luggage (personal effects) allowed into Colombia duty free is 150 kilos per adult, 75 kilos per child over ten years of age, and 50 kilos per child under ten years of age. Immigrants are allowed 500 kilos. All goods, samples, etc., taken with luggage must be packed separately, and be covered by a certified consular invoice.

CONSIGNMENTS OF MERCHANDISE

It is required by law that documents shall be handed to the custom house within forty-eight hours after the arrival of the steamer in port. A fine of one dollar per bale is payable for each additional day. Shipping documents should therefore be sent either to the importer's or the banker's agent at the coast with full instructions, and should not be attached to bill of exchange forwarded to collecting banks in the interior. When goods consigned by parcel post are to

be delivered only against acceptance or payment of the bills, the parcels must be consigned to the collecting bank. They should bear a distinguishing mark, say the initials of the drawees, and this, with the number allocated by the distributing office, should be stated on the invoice sent to the bank. Each client's goods should be consigned separately, and a separate invoice for each client is indispensable in order to permit delivery of the package on fulfilment of the necessary conditions. The banks do not undertake to withdraw any parcels, but merely to endorse and hand over the corresponding delivery order.

As warehouse rent is chargeable on parcel post packages forty-eight hours after the consignee has been notified that the goods have arrived and are available for collection, shippers should notify the consignee of the name and address of the person for whom the goods are intended. Packages by parcel post should be forwarded direct to the consignee and not to an agent at the ports, for if the parcel has to be forwarded from the coast to the interior, it will necessitate further postage stamps and be subject to a surcharge of 15 cents on the import duties.

PATENTS AND TRADE MARKS

Care should be taken to register trade marks before commencing to export, and to choose a simple and locally known outline and design which will be familiar to Colombians.

The Colombian laws guarantee the right of property over patents of inventions. These may be granted for a period of ten years with extensions for five-year periods up to twenty years, subject to the payment of renewal fees. A charge of one dollar is made for each year of the grant, and the patent is issued in the form of a diploma which must bear a stamp of twenty dollars. Patents previously protected in a foreign country lapse on the expiration of the term for which they were granted in that country. For trade marks a charge of ten dollars is made and each is valid for a period of ten years, with extension of five-year periods at the rate of fifteen dollars for each renewal. Each registry certificate must bear a stamp of five dollars denomination. Trade names are protected without registration.

Full details of patent and trade marks laws are available at the Department of Trade and Commerce, Ottawa.

TRADING WITH VENEZUELA

I

Introductory

Havana, Cuba, December 27, 1927.—The Republic of the United States of Venezuela lies on the north coast of South America between Colombia on the west and British Guiana and Brazil on the east and south. The coastline is about 2,000 miles long, running along the Caribbean Sea, while the whole area is roughly 400,000 square miles. It is very sparsely populated, having only about seven inhabitants to the square mile, and the racial elements are completely intermixed, being mostly mestizo—i.e. mixed Spanish and Indian blood.

PHYSICAL FEATURES

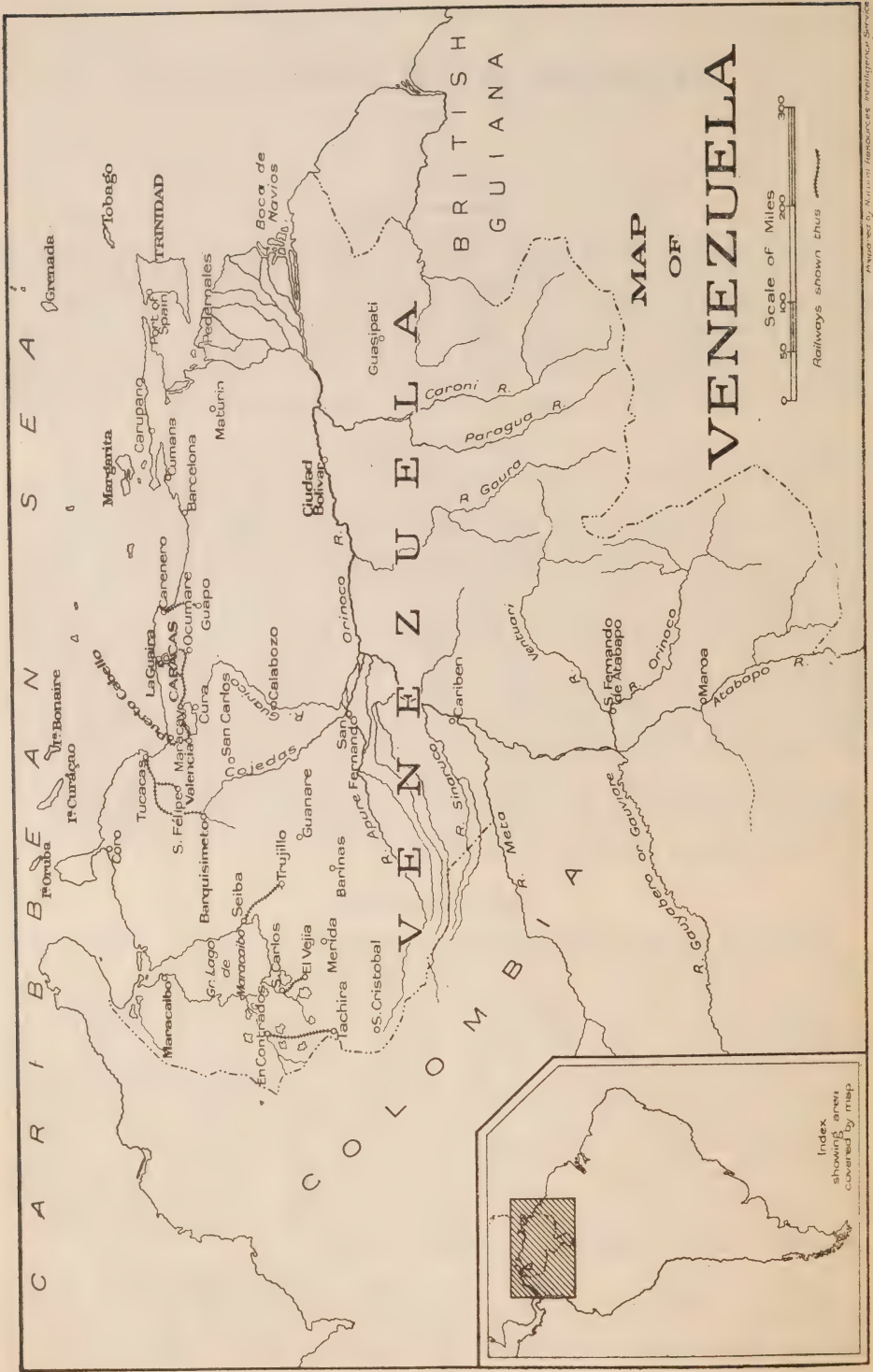
The Orinoco river and the northeastern range of the Andes play the most important part in dividing Colombia both physically and commercially. The Orinoco, running inland from the Atlantic Ocean for 1,600 miles, is helpful to trade because it is navigable for steamers of 1,500 tons as far inland as the city of Ciudad Bolivar, and beyond that for hundreds of miles for smaller craft. The Coast Range is a serious hindrance to both export and import trade, because it raises a precipitous barrier between the consuming and producing regions and the seaports on the Caribbean. Another important feature is the great basin of Lake Maracaibo, covering a region of about 28,000 square miles, and extending from the Gulf of Venezuela inland for approximately 135 miles. It is 60 miles wide at its widest point, is really a large shallow inland gulf connected with the Caribbean Sea by a wide 40-mile channel so shallow as to permit only vessels of 11 feet draft to pass, and so narrow at one point that two vessels cannot pass each other. The principal city of Maracaibo is thus prevented from being an ocean port of call, and retards the progress of one of the most prolific oil-producing basins of the world.

ECONOMIC DIVISIONS

Venezuela divides readily into four main economic divisions, whose centres are the cities of Caracas, Valencia, Maracaibo, and Ciudad Bolivar.

The Federal District.—This is the chief financial and commercial district surrounding Caracas, the capital city, and terminating at the coast, with the Republic's principal port, La Guaira. There is only a distance of eight miles between these two cities, but they are divided by mountains which necessitate a line of twenty-four miles of winding railroad, and a parallel roadway somewhat longer, to connect the two. The railway is of 3-foot gauge, has a gradient of 4 per cent constant, is owned and operated by a British company, and is in course of being electrified. The roadway is one of the finest concrete pavements in the world, is government owned, and hand-swept. Motor trucks compete with the railway in the haulage of goods from La Guaira. One-half of the exports and imports of the country pass through this port.

Valencia District.—Valencia, with a population of roughly 75,000, is the second city of Venezuela, is close to the important town of Maracay, the heart of the country's large dairying industry, and the commercial city of the surrounding fertile agricultural district. Its seaport is Puerto Cabello, which is



Approved by Natural Resources Intelligence Service
Department of the Interior, Canada

also the outlet for the two cities of Barquisimeto and Coro, with their large export trade in coffee, cacao, hides, copper ore, and beef. Valencia is partly tributary to Caracas on account of capital and credits and the business system long established, as well as on account of the railway (Gran Ferrocarril de Venezuela) which connects these two towns. Valencia is connected with its seaport, Puerto Cabello, by a railroad (operated by a British company) which is second in importance in the Republic.

Maracaibo District.—The port of Maracaibo is commercially second only to La Guaira. Coffee and oil constitute the main export trade of the district, while imports of machinery, supplies and foodstuffs make up the bulk of incoming cargoes. The direct trade is all with the United States and with the Dutch Island of Curacao. No European ships go to Maracaibo; their cargoes are transhipped at Curacao, while only two lines, operating small ships from New York, are engaged in the direct American trade. Numerous oil tankers, however, proceed daily to and from Maracaibo and district.

Last year a presidential decree was issued sanctioning the erection by the Venezuelan Government, or their nominees, of a deep water port, for the Maracaibo district, on the Paraguana Peninsula. This would do away with the trade to and from Curacao and most of the refining there. It would also cheapen Venezuela crude oil and (with the erection of refineries) refined oil for the world markets.

Orinoco District.—This is an immense district, the extent of its territory covering more than half the area of Venezuela, but it is the least developed. The chief resources of this region are forest products, cattle, and gold from the famous El Callas district, which, with the present narrow-gauge railway under construction to the coast, should make that region even more famous next year. There is no railway in the district now, all communications being by river. The chief port is Ciudad Bolivar, a town of roughly 30,000 people, situated about 240 miles up the Orinoco river. Most of the merchants are European. Much of the business for this district is transacted in Trinidad, Port of Spain being also the port of transhipment on account of its better steamship facilities.

TRADE AND MANUFACTURES

The value of the total trade of Venezuela for the year ended July 1, 1926—the latest date available—was \$137,675,632: imports, \$65,072,763; and exports, \$72,602,869.

Manufacturing is not yet highly developed in Venezuela, although it is on the increase. Nearly \$100,000,000 is said to be invested in industrial enterprises. Most of the local industries are highly protected. Among the chief of these are:—

Dairy Produce.—At Maracay, where President Gomez has his palace, there has been built up by him an excellent modern dairy plant which supplies Caracas, La Guira, Valencia, and the surrounding district with butter, cream, cheese, and milk. As the bulk of the consuming population is resident there, the opportunities for exporters are very small. Over 300,000 pounds of butter are turned out per year, some being tinned for shipment. Condensed milk is also made and canned at Maracay.

Footwear and Leather.—This has long been one of the most successful of local industries, and very good boots, shoes, and native "Alpargatas" are supplied at a reasonable price by many factories. Some important lines of quality footwear were seen. Because of the high duty, few rubber-soled or canvas-topped footwear are worn or imported. There are several tanneries producing excellent leather from cattle hides and goat and sheep skins.

Paper.—There are two paper factories in operation supplying a good deal of the local requirements of wrapping and other paper. They import their own pulp, but their output is limited except for wrapping paper, which is turned out at the rate of about 15 tons per day.

Breweries.—Beer of a good quality and quite inexpensive is produced by three local breweries—one at Caracas, one at La Guiara, and one at Maracaibo.

Cotton.—As the consumption of cotton goods is very large, there are many local factories producing the rougher cloths worn by the lower classes. They supply at least half of the total demand. These factories are also producing in increasing extent some of the finer weaves, but there is still a good import market for imported cotton piece goods, underwear, hosiery, etc.

Other Industries.—Tobacco, cigars, cigarettes, toilet soaps, laundry soaps, table glassware, crockery, chocolate, candies, cordage, matches—(a Government monopoly operated by a British corporation, the National Match Factory)—cement, and electric light and power, are among the other prominent industries competing with imported products. Furniture shops in the cities and large towns manufacture local hardwoods and cedar into every kind of domestic furniture in a reasonably efficient way. Many articles such as salt, matches, shoes, laundry soap, butter substitutes, coconut oil, and ready-made clothing are either forbidden entry into the country or so heavily taxed as to be impossible of entry. Labour is untrained and inefficient, and, since the oil boom, expensive and difficult to handle.

OIL DEVELOPMENTS

In 1920 Venezuela ranked fifteenth among the twenty-five oil-producing countries of the world. In 1926 she was fourth, following the United States, Mexico, and Russia. Venezuela can produce more than 200,000 barrels of refined crude oil per day from her 10,000,000-acre oilfield at Maracaibo. British companies control over 60 per cent of the output; the refinery of the Anglo-Dutch Shell interests in Curacao has a daily capacity of 70,000 barrels. Pioneering work (mostly American) is now going on on the west side of the Maracaibo basin, and much experimental drilling is taking place. There has been, however, a considerable cutting down of the technical staffs during the last year, and a general slowing up of buying and development consequent on the present world over-production. Production for the half-year ended June 30, 1927, was only a little over 27,000,000 barrels for the whole field.

AGRICULTURE

After Brazil and Colombia, Venezuela ranks next as a producer of good coffee. Most of the exports of coffee come from Maracaibo district, which in addition to its production draws on Eastern Colombia for some which is easier to ship that way, but it is also grown in several other districts where there are the requisite elevated lands of from 500 to 2,000 metres. In 1920 coffee and cocoa constituted three-fourths of the exports of the Republic, but the development of the oilfields has entirely changed the relative positions. Nevertheless, coffee is still the commercial barometer of Venezuela and reflects more strongly upon the buying power of the people than any other single commodity produced. All the money represented by it remains in Venezuela and circulates among the growers and labourers on whom the merchants (especially in Maracaibo) largely depend for their trade, since the oil companies mostly maintain their own stores and do their own importing. Buying too by merchants is brisk or otherwise, in anticipation of the coffee crop and the expectancy of good prices for it in foreign markets. During the past two coffee seasons the crop and the returns have been poor, consequently buying is limited, credit unobtain-

able, and business very depressed at the present time in that area. Venezuela is not a one-crop country like Colombia and Cuba, and in addition to coffee, exports about \$5,000,000 worth of cocoa, and produces for export gold, petroleum, pearls, balata, tonka beans, plumes, cattle, fibre, tanning materials, hides, tobacco, copper, sugar, rice, corn, timber, and quite a considerable diversity of resources which give her an economic buoyancy which makes the market interesting and profitable on the whole.- In purely agricultural pursuits it is estimated that 20 per cent of the people are engaged, but that number does not seem to be sufficient to develop the country's great resources. Immigration is slow, and not sufficiently encouraged to increase the agricultural population, while the tardy introduction of modern methods and machinery handicap what might otherwise be a very wealthy agricultural country. The soil and climate are good and varied, being capable of growing from wheat and potatoes to bananas and plantains, according to the different locations and altitudes.

II

Notes on Specific Commodities

AGRICULTURAL IMPLEMENTS

The Government is taking an increasing interest in agricultural improvements, and model farms are being instituted at each of the twenty state capitals of the Republic, to provide instruction in modern scientific methods of cultivation. The influence of the oilfields too has made labour dear, and consequently farmers are being compelled to buy labour-saving machinery and implements of all kinds. In the past, money has been lost by companies trying to sell these things ahead of the time, but it would appear that money spent in that direction now would reap profitable returns. The Government has recently been conducting a campaign against insect pests, and a provision in the new Customs Tariff permits free entry of substances employed in their extermination. The result has been a steady demand for sprays and the like, mostly filled from North American sources. President Gomez is one of the most successful dairy farmers in the world, and has immense herds of fine cattle.

As distinct from ranching, farming is general throughout Venezuela, and is extensively carried on in the interior, as well as in the coastal districts of the north. Both the valleys and the hillsides are tilled; most of the farms are large estates, on which a great variety of crops is cultivated. The demand for machinery is limited; in order to make sales practical demonstrations are necessary. Mules and oxen still supply the motive power for most of the implements in use; gasoline at 60 cents per gallon in the country parts is much too dear. A fair number of Fordson tractors have been imported. The demand for implements is extensive and fairly constant, and is supplied mostly by the United Kingdom and the United States, with Germany participating in some of the edged tools. They are stocked by the ordinary hardware stores. Small cheap plows worked by oxen, varying with the kind of soil to be tilled, are in demand, also discs and harrows. The latter are diamond-shaped in one, two, three and four sections, having flexible steel frame with wooden levers. Practically no forks and few rakes were to be seen in stock. There was a good demand for spades (mostly English), both square and pointed. Those having the "V"-shaped handle are not so well liked as others. Corn shellers varying in capacity from 150 to 2,000 bushels daily are in some demand, as also are grain grinders of various styles for corn and small grains.

AUTOMOBILES AND ACCESSORIES

Although few roads in Venezuela can be called motor roads, except the main highways connecting La Guiara, Caracas, Maracay and Puerto Cabello, and the military road from Caracas to the Maracaibo Basin, still there has been recently, and still goes on, much road building over important trade routes. Most of the so-called rural highways are not of a kind to help the development of motor truck traffic, being too narrow and built for cart use. Between the cities much motor truck freight is carried, especially between La Guiara and Caracas, where there is an excellent paved road. The total motor road mileage is roughly 2,000. The import duty on automobiles is relatively small, and in the cities there are many cars, mostly medium-priced. Horse-drawn vehicles are still more numerous than taxis, however. Such makes as the Dodge, Nash, Studebaker, Hupmobile, Chrysler, Overland, Chevrolet, Moon, Fiat, Packard, and of course the Ford, were seen in private hands. Competition is very keen, and all cars are sold on credit. One agent requires no cash deposit on sale, but simply the signature of a guarantor and payment of \$20 per month. The cities are well supplied with garages, as also with agencies with spare parts. The tires in use are nearly all American. Agents in Caracas have an arrangement to sell at a fixed price, subject to discount to special customers. Most of the tire manufacturers doing business have their own offices and manager, and keep stocks. The best selling sizes for cars are: balloons, 32 x 6 and 34 x 7 (all cord). For bicycles the best sizes are 26 and 28 x 1½; for motor cycles 26 x 2½ and 28 x 3. There is a good market for patches, tubes, pumps and all accessories. More than half of the cars in use in Venezuela are in the Caracas district, and that city is therefore the best in which to establish an agency, although the Maracaibo market, in normally good times, should also be specially looked after.

BAGS AND SACKS

During the war the difficulty of securing supplies of sacks for the exports of Venezuela developed the country's natural resources of various fibres, and the industry of bag making still offers much local competition. The demand for cotton sacks is largely for 10-kilo size for use in the sugar refineries. Duties as high as \$17 per 100 pounds for sacks of coarser materials, protect the locally made sacks. Bagging is required extensively for coffee, cocoa and frozen meat. Coffee is usually shipped in bags of 120 pounds.

BEVERAGES

Beer seems to be the most popular drink in Venezuela, and five breweries, mostly using machinery imported from Germany, are in operation. They all make good beer, and it is sold cheaply so that foreign beers are only consumed, and that to a lessening degree, by travellers. German and English beers compete for any business. Scotch and rye whiskies are daily growing in popularity, and this occasions an increasing sale of mineral waters. A few years ago the imports of such were small, but now there is quite a big import trade despite the local industry. Owing to the bad water supply much table, mineral and medicinal imported waters are consumed. There is a good consumption of rum and brandy; in the better class Venezuelan homes wine is in daily consumption.

CANNED GOODS

The importation of canned foodstuffs is necessarily limited to a small proportion of the population. Fresh meats, fruits and vegetables are always to be had. Canned fruits and vegetables retail at from 60 cents to 90 cents per kilo and are therefore a luxury trade. Pears, peaches, apricots, apples,

plums, cherries and grapes are imported from California in tins of about 1 pound 14 ounces each. There is a small trade in bottled fruits, all from France, and peas are mostly from that country. There is a considerable importation of tinned butter, chiefly from Denmark. Butter from the United States is sold; a brand known as "Golden Gate" has a good sale. American butter is said to be better and cheaper than Danish, but still the latter is preferred. Some French butter also is imported. The Venezuelans like a butter yellow in colour and fairly salty. The usual containers are tins of $\frac{1}{2}$, 1, 5, 10 and 14 pounds. As mentioned before, the dairy at Maracay supplies a good part of the tinned butter trade of Venezuela. A good trade in imported biscuits is done; English have the reputation for quality. In soda crackers the United States leads. The sweet biscuit trade until last year was confined to large and small plain tins of 7 pounds and $\frac{1}{2}$ pound respectively. Now, however, there is a growing trade in biscuits in fancy boxes of 1-pound weight. Highly flavoured and coloured cheap British confectionery in tins sell well. There is some business also for chocolate sweets, chiefly for the Christmas trade. Orders are small, usually from \$100 to \$200. Fancy boxes of 3 or 4 pounds, wrapped in tinfoil, sell best for gifts. Little is sold in tins. The English style of packing suits the trade best. There is opposition from local factories, but since their prices are the same as imported chocolates, the foreign goods are normally preferred. There is very small sale for canned meats or for condensed milk.

Cheese.—There is a local white cheese known as *queso llanera*, which is used all over Venezuela, and produced largely in the Paraguana Peninsula from goat's milk. It is very cheap, selling at about 30 cents per pound. An excellent local cheese is made at the Maracay factory. Holland does quite a profitable business in cheese and shares it with the United States which sells about 30,000 pounds per annum in this market.

DRUGS AND CHEMICALS

There is a good demand for medicines and drugs, but only a small demand for most kinds of heavy and crude chemicals. Venezuela is not an industrial country and, but for the manufacture of soap and candles, uses few chemicals. There is a good sale of sulphate and phosphate of ammonia for fertilizing purposes. Other sellers are: liquid ammonia, formaldehyde, caustic soda, soda ash, carbonate of soda (in crystals), acetic acid (99 pure), sulphate of iron and copper, alum and borax (in crystals). All these items were stated by a Caracas importer to be purchased by him to the extent of about one ton at a time. Sulphuric acid (in drums), muriatic and nitric acids (in big glass bottles packed in wood), are also in demand. Salvarsan of German make, said to be supplied on account of reparations, was being bought in September last from Holland at 1,400 florins per kilo c.i.f. La Guaira. There is a good market for carbon dioxide; the imports in 1926 were about half a million pounds of gross weight or about three-fifths of that amount of gas. One large cylinder weighs 50 kilos, and contains about 20 pounds of gas. The wholesale price to importers in Caracas was 60 cents per kilo. Most of the purchases were made in Germany and Holland. Local purchasers make a deposit to the sellers of 60 bolivars* for the return of the empty drums. The trade in drugs and medicines is highly competitive and entails a considerable amount of advertising. It was suggested that the products of one Canadian house at least would sell much more readily if they were better advertised.

HARDWARE

Venezuela offers a good and increasing market for tools, structural metal products, and domestic utensils and hardware of all kinds. The market must be supplied with articles light in weight to lessen the import duty, and cheap in price to meet the purse of the large users. European manufacturers have

* 1 Bolivar=about 19 cents Canadian currency.

been making a special study of this, and are thus able to secure a large part of the trade despite advantages of proximity and intensive trading on the part of American manufacturers. In the Maracaibo district the demand for steel products for use in the petroleum fields and coal mines is good for such articles as steel products, tubing, etc. Steel piping of 4, 6, 8 and 10 inches is much used, but in this district piping for water is subject to oxidation from salty air and chemicals from the local sand. There is a big demand for galvanized pipe, mostly for Government use, and also for builders and estate owners. There is a high duty on culverts. The market for chains centres is Maracaibo, with some anchor and marine chain at the ports. This latter is imported mostly from Germany, size $\frac{1}{4}$ to 1 inch in lengths of 30 yards. American chain for harnessing animals is stocked. The oil companies use what is known as No. 1240 and 1630 for drilling, and buy largely through their head offices in New York, London and Holland, so that local merchants carry light stocks only, especially as they are readily affected by rust.

In small builder's hardware, the United States do most of the trade. Tools also come from that country, the United Kingdom commanding a good share of the trade on goods that are reputed to be of better quality. From Germany come cheap padlocks competing with Yale locks. Heavy hardware comes from England, the United States, Belgium and Germany. England supplies most of the wheels for locomotives and cars. There used to be a big trade in imported corrugated iron sheets, but a local foundry is now making these and is protected, so that only plain galvanized sheets may be imported. In Caracas corrugated iron sheets sold for 98 centimes per kilo, but they would cost 1.10 bolivars if imported. Horseshoes are all locally made from imported bar iron. There is only a small market for barbed and fencing wire, and it is mostly confined to Maracaibo, although the development of agriculture will undoubtedly assist this trade. English and German cutlery dominates the market; the cheaper kinds of table cutlery are in demand. Machetes, axe heads, knives and similar agricultural tools sell well. Enamelled, iron and aluminium ware are being bought largely from Continental Europe. Malleable iron for the construction of window gratings is sold in large quantities; every house in Venezuela is in this way protected.

FLOUR

This is an import item that is growing yearly. In the statistics published by the Republic, it would seem that little or no Canadian wheat flour was entering that market, but Canadian export figures show an increasing trade which for the past fiscal year was worth over a million dollars, represented by 160,000 sacks. Nearly all the flour imports come from or through New York, one brand of American and one brand of Canadian flour being outstanding sellers. There is a demand for both a hard and a soft wheat flour, but the former is undoubtedly preferred. There is no local flour, so that the competition to be found in Colombia does not apply. The market requires flour in 196-pound bags in general, although Maracaibo district favours, and is being supplied with, 200-pound lots. For the country trade there is a fair business in half bags. A peculiarity of the market is that there seems to be no sale by grades as in other countries, but by brands only. The bakers like to make their own mixture, or "Liga" as it is locally known. Baking is done both by hand and by machinery. Those who bake by hand prefer a soft flour which they say is easier to work. There is little home baking. A prominent merchant in Caracas told the writer that his customers like to see the word "CANADA" on the bag, even though it signified a slightly higher price, and that he thought Canadian exporters might tranship from Trinidad as was done in the case of a well-known Canadian whisky. Towards the end of September last the popular "Gold Medal" flour was being quoted at \$8.55 c.i.f. La Guaira. Soft wheat flours are usually quoted about \$1 less.

FISH

The consumption of dried codfish in Venezuela is relatively small, and largely confined to the Lenten season. On the whole, it is not a fish importing country, except perhaps for sardines. Several thousand tons of fish, locally caught, are cured or dried in the Republic and sold cheaply there, some even being exported to Curacao. Salt cod for retail usually comes from New York in cases containing packages of one pound wrapped in white paper. There is also some import of whole fish weighing from 1½ to 2 kilos each from Norway.

LEATHER

Manufactured leather goods are difficult to sell on account of the tariff protection afforded to that industry. This is especially true of footwear of all kinds, which are being made successfully in many parts of the Republic. Nevertheless, a considerable amount of unmanufactured leather is imported. There is a good sale for box calf, for chrome; and, for the manufacture of cheap shoes, leather made from veal sides. The trade prefers leather from small hides, say from 8 feet to 11 feet for box calf. The local factories even in Caracas cannot turn out enough leather, and never make box calf. There is not much tanning of kid, and the demand is lessening. Chrome tanning is preferred to oak on account of a tendency to fade rapidly which the latter develops. Art grained leathers for fancy shoes are in good demand, costing from 40 cents to 80 cents in box calf, and 28 to 40 cents in cow sides, these prices being all f.o.b. New York in September. It was stated that prices had risen on account of the drowning of cattle in the Mississippi floods. As there are plenty of hides and of tanning materials such as divi-divi, local sole leather is good and cheap. Seventy-five per cent of the output of all local tanneries is sole leather, so that it is impracticable to import.

FRUITS

Canned fruits have been mentioned previously. Venezuela grows fresh fruits in profusion; the only imports of any consequence are pears and apples. The latter are imported in boxes and in barrels. The boxed apples are for the better class trade, and are specially packed in boxes containing 88 apples, while the barrelled apples are distributed to meet the cheaper trade.

LARD

Pure lard is a good seller as the local product is scarce. It is imported from New York and from Holland.

The Venezuelan dairy industry hinders the sale of lard to some considerable extent. It is usually packed in tins of 37 pounds net; the price in September last was \$13.35 per 100 pounds f.o.b. New Orleans. It must be accompanied by a certificate of purity, otherwise the Customs authorities will confiscate it. Very little lard compound is seen.

LUMBER

Except in the Maracaibo district, lumber imports are small. In 1924 the imports to that city were valued at \$261,065, but the trade has risen considerably since then. In 1926 about 20 million board feet of lumber is estimated to have been used by the oil companies. These import their supplies free of duty, and do not use much local wood, which is somewhat scarce in that locality, and is only used for piling. Pitch pine and redwood from the United States, as well as some first-grade Douglas fir which seems to be well liked, are imported. They are used for the construction of camps, roads, railways, and wharves, and for the exploitation of the new fields which now have a population of over 100,000. One company is actually drilling through the lake, and

uses great quantities of piling for their drilling rigs. The principal pitch pine sizes used at the oilfields are 2 x 12, 2 x 8, 2 x 6, and 2 x 4, all 16 to 20 feet lengths. Piling 1 x 12, 2 x 4, 2 x 12, and 3 x 12 of similar lengths are used. There is also some 24-foot lumber for base for derricks. There is no import of finished lumber in Venezuela on account of the duty being too high to make it profitable. Logs of less than 9.8425 inches are, however, admitted duty free, and are purchased by local sawmills for sale to the local trade.

PAPER

Canada supplies very little of the paper requirements of Venezuela. In 1926 a few tons of newsprint were sent, but the trade was lost on account of price. There is, however, quite a good market in many other paper lines. Newsprint is duty free and nearly all used in Caracas. None is manufactured locally; the only competition is from the United States and Sweden. Supplies from the former are said to be mostly of Canadian origin, but with its identity lost. Some newsprint is imported flat, in sheet form, but most comes in 1,000-pound rolls, 70 inches wide. Boxboard and paper boxes are imported to the extent of about 500 tons per year. The former is used mostly by bookbinders, and by small paper box factories and printers. Most of the boxboard coming into Venezuela is from Holland. There is a small market for wallboard, which is used in offices and for the houses of the workmen employed by the oil companies. Book paper is a small import—all supplied by the United States—which also furnishes most of the coated papers for use by the magazines in Caracas. Toilet paper is in good demand, and is supplied in rolls of 1,000 sheets, retailing at 20 cents per roll. There is a small sale of carbon paper supplied from the United States and retailing in Caracas at from 6 to 8 bolivars per box of 100 sheets. The import of cigarette paper is a Government monopoly. There is a good market for copying paper, largely on account of the fact that the Government require all merchants to keep a copy of all invoices for purposes of Government inspection. The import market for wrapping paper (chiefly cheap light weight) is relatively small; local factories make about 15 tons per day. Some kraft is, however, imported in 34 by 49 centimetres sizes; also manila paper, in sheets of 66 cm. to 96 cm. packed in 35-pound packages. Storekeepers are using considerable quantities of waxed paper, paraffined on both sides; as well as gummed paper in tags and small rolls for mending books, and as substitute for string. The United Kingdom and Germany supply most of the demand for writing papers; American papers are too high in price. There is a small demand for high-grade bond and linens. Twenty-four sheets of paper, with envelopes, sell at from 6 to 20 bolivars in Caracas. Envelopes are nearly all made locally from imported paper. There is a fair and apparently increasing trade in wall-paper, supplied nearly all from the Continent. It comes usually in rolls 7 metres in length and 50 to 54 centimetres in width. The Venezuelans like striking and rich colours. Retail prices are from 20 cents to \$4.80 per roll; the best sellers range around \$1.25. Paper bags are made locally, but cannot be said to be in good demand.

POTATOES

Potatoes are grown in considerable quantities in the uplands of the interior, reaching to altitudes of 10,000 feet. From there they are shipped to Maracaibo, and in small quantities to other parts of Venezuela and to Curacao. They are sown in February and April and marketed in September. Some potatoes are imported from the United States, Holland, and Spain. The two last-mentioned ship in crates of 30 kilos, while the former ships in barrels of 80 kilos, at prices ranging from \$3 to \$4 per barrel c.i.f. La Guaira. Potatoes of sizes from 100 grammes to 200 grammes suit the market best.

PAINTS AND VARNISH

There is a good market for paints with no domestic production. For use in exterior work, water paint is more used than oil; for interiors, flat wall paints, water paints, oil paint, and wallpaper are used in the order given. Paste paints are used in Venezuela more than ready mixed paints. On the coast, humidity affects the walls of the buildings, and therefore they have to be frequently repainted. Little enamel paint is used for woodwork, but mostly varnish. The United States and Germany share most of the Venezuelan paint market. The most popular containers are the cans of 1 gallon and $\frac{1}{4}$ gallon each, which retail at \$3 per gallon. Linseed oil in drums of 50 gallons comes from Holland and the United Kingdom largely. Turpentine is shipped from the United States in 1-gallon cans. There is a good trade in paint brushes, which appear to be best supplied by the United Kingdom. The market imports about 1,000 kilos per year. White lead is mostly supplied by Belgium, followed by Germany and Holland. The former sent 1,864 kilos valued at 1,281 bolivars for the first six months of this year.

Piece Goods.—There is a big demand for low-grade artificial silk goods, which must be highly coloured to suit the market. There is some sale for better-quality silk goods also, but the bulk sales are for use by the peasants and therefore inexpensive. This applies especially to cottons, of which there is quite an extensive local production in cheap goods of poor quality. Manchester sells all kinds of low-grade cottons, and the United States also has a share in the market, chiefly of sheetings. Handkerchiefs, towels, ribbons, laces, and sewing thread come almost entirely from Europe.

Knit Goods.—A cheap grade of knit cotton undershirts manufactured from local cotton is much used by the people of the lower classes. There are good imports of Union and two-piece suits for men. On account of high duties there is little or no market for silk underwear. There is some import of cloth to make underwear—a kind of muslin and knit ribbed cloth, both close and open woven.

Hosiery.—Ladies' hose of real silk sells well in Venezuela and is all imported. There is a big sale of the cheaper qualities of cotton and artificial silk stockings, but they are nearly all of domestic make. Men's silk half-hose, mostly black cordwoven, blue, and in fancy colours, sell in the order named. There is little sale for white socks: white shoes are seldom seen. Popular sizes are 9 and $9\frac{1}{2}$. Women prefer light fancy colours, blacks and greys. All must be full-fashioned to sell well. Some chiffon ladies' hosiery was seen in stock. Popular sizes are 8 and $8\frac{1}{2}$. Children's socks are of fancy colours, and, in the cheaper lines, with turn-down and fancy tops. They cost from 80 cents to \$1.50, in cotton, factory price. Those with part artificial silk cost from \$2 to \$3.

Neckwear.—Ties sell from \$6 to \$12 per dozen in silk. Broad fancy styles are imported from France, and narrower from the United States. Few knitted ties are sold; those that are are of Italian make. Semi-soft and stiff collars sell best; the former the better of the two, because they have no local competition to meet.

Hats.—There is a big local production of cheap straw hats centring in the city of Valencia. The making of "Panama" hats from palm straw is an important household industry in many localities; they sell for about \$1 per dozen. In the cities felt hats from England, Italy and the United States are worn. They differ in no way from the style of hats seen in Canada.

Optical Goods.—The market for these is very restricted, and consists almost entirely of eye-glasses. The people lead an open-air life and are so little employed industrially that bad eyesight is almost unknown except in extreme

old age. Consequently, the business is largely confined to Caracas where the merchants, clerks and professional classes are centred. American goods are chiefly in demand, the trade having been wrested from Germany and never regained. There is no local competition except that lenses are ground in the capital. There is some demand for goggles, chiefly for motorists.

Electricity.—The General Electric Company supply most of the light bulbs, etc., used in Venezuela; stoves, cookers, toasters, irons and the like do not sell very well on account of the dear power. There is a fair demand for lighting plants—Delco, etc.—especially for use in the country. There is quite a good market for portable flashlights and dry batteries. Electricity is supplied to Caracas by the Generadora Fuerza y Luz Electrica, which is a Venezuelan concern, and furnishes current to an English company (the Venezuela Electric Light Company) which supplies lighting to the capital. Another local company (Venezuellena de Luz) also provide a light in competition. The former company uses water turbines; the latter Crossley crude oil engines. Power for lighting is 100 a.c. 50 cycles, and costs 1.25 bolivars (about 23½ cents) per kilowatt hour. The first-named company provides power and is allowed to sell and supply 220 a.c. 50 cycles at \$5 per ¼-h.p. per month. Electric motors are supplied from the United States, Germany, Italy and Switzerland. The market is small and mainly for motors of ¼ to 5 h.p. European quotations are extremely low. Electric wiring sells fairly well. It is practically all exposed, but in some of the better-class houses iron conduit is used. There is a sale also for switches, and a great variety of cheap types are in use. Few desk and table lights or lamps are used; most of the lighting is from the ceiling. Radio goods are only imported by one firm (under concession from the Government) with a purchasing agent in New York.

Cement.—There is a large consumption of cement in Venezuela chiefly for the construction of roads and modern buildings. The Fabrica Nacional de Cemento at Caracas turns out much cement for domestic use, but it is not considered as good as some imported cements. The Department of Public Works is the largest user, but at the present time they are not carrying out an extensive program. It is the intention of the Government to pave all the highways in the country, and a paved military road from the capital to the borders of Colombia, to tap the wealthy but detached district of Maracaibo, has been approved. At a recent date most of the imports of cement were coming in from Hamburg in wooden barrels of 180 kilos costing \$2.50 c.i.f. La Guiara. This cement was stated to be of good quality and to set well. Canadian cement was being offered through Trinidad, but transshipment costs were causing the landed price to be too high to be competitive.

Machinery.—There is a good demand for wood-working machinery all over Venezuela. While petrol engines are in some demand, the oil companies use steam engines largely; a few marine engines are handled on the coast. The Department of Public Works is using a considerable amount of road-making machinery, especially concrete mixers and road rollers of not more than 6 tons. At the present time, however, much of their work is being curtailed on account of lack of funds, and they are not in the market. There is a good demand for lathes, drills, etc., for use by repair shops and mechanics generally. In the interior there is a good sale of ice-making plants capable of producing 1½ to 2 tons of ice per day. Sugar machinery also is a good but specialized trade. The cane is not producing much sugar on account of excessive moisture, and the companies were not thinking of doing much buying. The match factory in Caracas, which is a Government monopoly run by an English company, usually buy through their London office. They were not interested in buying machinery from Canada, but stated that they would be interested in obtaining stock, especially paper and box material, from the Dominion.

The street railways of Caracas are operated by a British company (the United Electric Tramways Company of Caracas Limited), and do all their buying of supplies through their London and New York agents. They operate 60 passenger cars over twenty miles of track, and convey 10,000,000 passengers annually. Their motive power is electric of hydraulic source. A British company has the franchise for operating the telephone in Caracas, and are in course of changing over to the automatic system.

BANKS AND CURRENCY

In addition to several native chartered and private banks, the Anglo-South American Bank Limited, and the National City Bank of New York, Canadian exporters may have recourse to the services of the Royal Bank of Canada, which is established in Caracas, and has branches in Valencia, Ciudad, Bolivar, Puerto Cabello, and Maracaibo. There is a stable currency in Venezuela, based on gold, and the monetary unit is the bolivar, which has a par value of 5.18262 bolivars to the United States dollar, and is subdivided into silver and nickel coins. There are many bank-notes issued which circulate freely in the district of issue, but which are discounted or not accepted in other districts of the country. The word "bolivar" is usually seen contracted and written "Bs." The metric system of weights and measures is in use in Venezuela, and should be employed by exporters wherever possible, as many merchants are quite unfamiliar with the English system. Spanish, the language of the country, should be used in correspondence, catalogues, price lists, etc., wherever possible, and unless otherwise indicated. Price quotations should always be c.i.f. Venezuelan ports. Credits are long, and interest rates high; but the banks should always be consulted on such matters.

PACKING REQUIREMENTS

For the majority of exporters, packing for Venezuela presents few difficulties, and requires no special study. All the important trading centres of the Republic have fairly adequate transportation facilities and modern methods of handling goods. Care must be taken, on account of the customs method of assessing duties, to have packing as light as possible consistent with safety. Care must specially be taken with regard to accuracy in statements of weights, descriptions and markings, otherwise heavy fines may be incurred. Unless the consignee of goods refuses the shipment within four days, even though they be confiscated, he is still liable for duties and for any fines that may be imposed in connection therewith.

ADVERTISING

Since only about 20 per cent of the people are literate, newspaper advertising should be confined to better-class or luxury goods. Anything consumed by the peasant classes can best be advertised by simple design or trade-mark prominently displayed by poster. Catalogues in the Spanish language and with metric weights, if judiciously distributed, should bring results. All classes patronize the motion pictures, which are to be seen in nearly every town, and they are considered a good advertising medium if properly designed. In common with other Latin-Americans the Venezuelans place a great deal of importance upon courtesy of expression and like to feel that they are being brought into personal contact with firms with whom they are doing business. All letters designed for them should be signed, not mimeographed or duplicated, and where possible, addressed to the head of the firm. Circulars and general trade literature carry little weight and are really lost effort.

MARKET PROSPECTS

Venezuelan merchants are keen to increase their trade with Canada, and the market is one which has not been diligently cultivated by Dominion exporters. There exists most favoured nation relationship between the two countries which entitles Canada to export her goods to Venezuela on a level with all other countries. Salesmen and others on the West Indies routes can easily link up the eastern and western groups by including Venezuela and Colombia in the long "jump" between Jamaica and Trinidad. Steamship connections are good and frequent, hotels in the larger commercial centres are reasonably comfortable and inexpensive, and, with reasonable precautions, the journey can be healthy, interesting and profitable. During the past two years, owing to the restriction of the oil output and the unsatisfactory returns from exported coffee and produce, merchants have been buying but little and liquidating their stocks. While large orders will probably not go forward this year, these should be steady and frequent, because stocks are low and the general business outlook bright.

III

Tariff, Packing, and Documentation

In 1924 a new Venezuelan Customs tariff became law, which simplified many of the old items. In July, 1927, it was again revised, the chief changes made being a reduction of the number of the customs classifications by 160 items. Articles imported in connection with improving sanitation and fighting insect pests were added to the free list. There is considerable additional protection for local textile industries. Surcharges have been added to articles having silk trimmings to the extent of 15 per cent specific duty. The tariff items are now almost entirely specific, but the duties are still very high. There are many items on the free list including newsprint, coffee, etc., bags for export, many agricultural tools, and also imports for the use of the oil companies. These latter may not, however, be re-exported without paying full duty.

The rates of duty are arranged according to a schedule of nine classes, with rates ranging from one cent (0.05 bolivars) per gross kilogram for the first class to \$4 per gross kilogram for the ninth class. General surtaxes amounting to 55 per cent of the duty are then applied, and some articles are in addition subject to specific or ad valorem surtaxes, which are intended to make the schedule more elastic and are applied in many instances to cover variations in quality or admixtures of component materials of a higher grade.

The general surcharges are:—

- (1) Thirty per cent destined for the national revenue, under the denomination "Contribution of 30 per cent".
- (2) Twelve and a half per cent destined for the state revenue, under the denomination "Territorial Tax of 12½ per cent".
- (3) Twelve and a half per cent destined for the national revenue, under the denomination "National Tax of 12½ per cent".

In recent years the average import duty, including the various surtaxes, has been about 50 per cent of the value of all imports.

There is an additional tax of 1 per cent destined for the National Revenue, under the denomination of "Sanitary Tax" and supplementary dues such as port charges, wharfage dues, warehouse charges, stamp taxes, etc., based usually on the value or weight of the shipment.

SPECIAL TARIFF PROVISIONS

The executive is authorized to increase up to 25 per cent the import duties on goods from foreign countries which do not provide in their treaties with Venezuela for most-favoured-nation treatment.

A surtax of 30 per cent is applied to all goods imported direct from any of the West Indian colonies. This tax was imposed in 1881 for the purpose of bringing about the establishment of wholesale houses and warehouses in Venezuela, to supersede the custom of supplying Venezuelan requirements from stocks maintained in Curacao or Trinidad.

DUTIABLE WEIGHT AND PACKING

An important feature of the Venezuelan tariff is that all duties are levied on the gross weight, i.e., inclusive of the weights of the containers. The exporter must make a special effort to combine lightness with strength in his packing. Packing of goods shipped for La Guaira or Puerto Cabello, for example, need not be as strong as the packing for goods destined for some other South American countries where they must travel for some weeks to reach their inland destination. Both La Guaira and Puerto Cabello are equipped with fairly good covered docks and warehouses from whence goods are transferred to the wholesale warehouses, say, in Caracas or Valencia. A good substitute for heavy wooden packing may be found in strong waterproofed strawboard covered with chicken netting. Every kilogram thus taken from the gross weight of a shipment of goods carrying the highest rates of duties reduces by \$4 the net cost of every kilogram to the importer.

CONSIGNEE CONSIDERED OWNER

The exporter must bear in mind that the consignee may obtain his goods when shipped on terms of cash against documents without presenting the invoice. Under Venezuelan law, the consignee is considered to be the owner of the merchandise, and although a banker may be holding the invoice with draft attached, a consignee who is not over-scrupulous may obtain a copy of the invoice in possession of the customs official by stating in writing that he has not received his invoice, and may then remove his goods on payment of the duty. When the exporter is not thoroughly acquainted with his consignee, or when he has no selling representative in the consignee's district, he should protect himself by consigning his goods to a bank.

SHIPPING INSTRUCTIONS

Foreign shippers must follow to the letter the instructions sent them by their representatives or consignees in Venezuela, or their shipments will invariably cause their customers considerable annoyance and expense and make future orders more difficult to get.

The Venezuelan Consuls in Canada are in a position to provide forms, and supply gratis information on procedure and documentation, although agents state that on account of frequent changes it is better to rely on advice coming from them in Venezuela than from consular officers abroad. The Red "D" Line, 82 Wall street, New York, have a service whereby for a very small fee they will make out all necessary shipping documents for exporters and advise them in preparing and shipping goods for the Venezuelan market.

The subject of Venezuelan consular regulations and invoice requirements is dealt with in a separate leaflet which may be obtained on application to the Department of Trade and Commerce, Ottawa.

PARCEL POST

Following are parcel post instructions sent by a leading importer to shippers in the United States:—

Weight.—Maximum weight allowed by Venezuelan Customs laws is five kilograms gross per package.

Packing.—In order to save duties, packing should be of strong waterproof paper rather than wood or cardboard. Each package should contain a piece of music or a catalogue, in order that when liquidating duties packing may be appraised at the lowest class.

Declarations.—Declarations of packing should be made as follows: *Musica y embalaje* (so many kilos and grams) or *catalogo y embalaje* (so many kilos and grams) as the case may be. Declaration of contents of package may be made in the regular way, taking the corresponding declaration from the Custom House tariff.

It is important to note that only four packages may be received by the same person, consequently, when shipping more than four packages, these should be addressed to different persons, in lots of four packages each.

GOVERNMENT STAMP ON FOODSTUFFS

All shipments of foodstuffs should bear a Government stamp of inspection or be accompanied by a sworn statement that the goods have been inspected by competent authority.

FIREARMS

Firearms may be shipped only by special permit from the Government of Venezuela. Shells for sporting guns may contain the cap and charge only—no bullets.

PATENTS AND TRADE MARKS

Original Patents.—Letters patent may be obtained for inventions or discoveries, or improvements thereof, provided that the matter is not already in public use in Venezuela, or published in this country or abroad for more than two previous years.

Confirmation or Ratification Patents.—Letters patent may be obtained in confirmation of foreign patents granted in a foreign country; provided no one has previously applied for a similar subject. The specifications and drawings must be identical to those filed with the original patents. Confirmation patents are granted for a term within the one granted in the foreign country provided it does not exceed fifteen years. Working patents are granted under the condition that the industry thereof be put to work giving a term of six months for a period of five-year patent, twelve months for a ten-year patent, and two years for a fifteen-year patent. The cost of fees and other expenses for original patents (improvements) for five, ten and fifteen year patents are respectively \$93, \$153, and \$213. For original patents or new inventions and discoveries, \$20, \$40 and \$60 are added respectively to the foregoing expenses.

Trade Marks.—Any person, company or corporation, domestic or foreign, can obtain protection or guaranty for any bona fide trade mark by registering it at the Ministerio de Fomento, Caracas, Venezuela, by filing an application in writing and in Spanish giving full particulars pertaining to the trade mark. Trade marks have a duration of thirty years in the case of domestic marks and for the length of the foreign certificate in the case of foreign trade marks.

Full particulars of patent and trade marks laws are available at the Department of Trade and Commerce, Ottawa.

TRADE NOTES ON CURAÇAO

Havana, January 31, 1928.—No report on Venezuelan trade, such as has been recently published in the *Commercial Intelligence Journal*, can be considered complete without some mention of the Dutch West Indian island of Curaçao. It is the principal of the group of three islands which lie about 60 miles off the north coast of Venezuela opposite to and between the ports of Coro and Puerto Cabello. The other two islands are Aruba and Bonaire, the former an important oil refining centre. Curaçao has a population of 50,000, and an area of 210 square miles; it is some 40 miles long and about 5 miles broad. It is administered by a Governor appointed by Holland, having his residence in the capital city of Willemstadt. The land is not fertile; and this, coupled with excessive heat and insufficient rainfall, makes cultivation of any kind almost impossible. The goat is the only animal that seems to thrive. The inhabitants are thus dependent on imports for practically all their requirements.

POPULATION

Outside of Willemstadt there are relatively few inhabitants. The population is mixed and consists of three races: the Dutch, the Jews (mostly Spanish and Portuguese), and the negroes. The line of demarcation between the three is very distinct. The Dutch are the official and governing class, the Semites look after commerce, and the negroes do the manual labour of all kinds. The first-mentioned are strict, stolid and efficient, governing in an economical way, and constantly endeavouring to keep down the cost of living which with the phenomenal rise of the oil-refining industry has had a tendency to increase out of all proportion to salaries. The customs tariff is kept very low, and on that account there is much buying done by transients of such products as scents, liqueurs, and cigars. The commercial community is exceedingly shrewd, buying keenly and intelligently from many sources, and on the whole possessing an unusual amount of business integrity. Some of the larger firms are very strong and wealthy. On the other hand, some of the smaller firms have expanded too rapidly on insufficient capital to be able to survive a period of trade depression such as occurred last year with the curtailment of Maracaibo's purchases. The negroes have become strong seafaring men of a very fine type, who build and sail trim schooners or flimsy dugouts with considerable skill. They speak a language or patois known as *papamintento*, which seems to be based largely on Spanish. While Dutch is the official language of the island, Spanish is much more commonly used, but the commercial community appear to be international in the matter of language, and usually know English well. Currency too is quite international, the banks being willing to convert notes or cash of all countries with very little discount. The monetary system of the island has a unit of a florin (roughly 40 cents), which is equivalent to the Dutch guilder and is divided into 100 centimes, of differing denominations.

BANKS

Curaçao is authorized by the Government of the Netherlands to establish banks issuing bank bills by giving concessions to them. Only one bank.

the Curaçaosche, is thus government-controlled. The following is a list of the banks in the island:—

- Curacaosche Bank (circulation bank only).
- Curiel's Bank (general).
- Curacaosche Hypotheekbank (mortgages only).
- Hollandsche Bank voor West-India (general banking business).
- Maduro's Bank (general banking business).
- Spaaren Beleenbank (savings bank).

The Hollandsche Bank has branches in many parts of the Caribbean area, including Maracaibo. New York foreign exchange quotations rule on the Curaçao market.

LOCAL INDUSTRIES

There are few of these, and they do not affect the import trade to any appreciable extent. The chief industry is, of course, oil refining. The Caribbean Petroleum Company has a fleet of 16 tankers with a capacity of 1,800,000 barrels monthly, which carry crude oil from their Maracaibo Lake terminals to be refined in Curaçao by the Curaçao Petroleum Company, also of the group of Anglo-Dutch Shell interests. The Lago Petroleum Company carry 30,000 barrels daily to Aruba, where their refining is done. The former company has four new tankers on order. This would seem to indicate the faith of the companies in the future necessity for carrying oil to the Curaçao refinery.

COMMERCIAL SIGNIFICANCE OF CURAÇAO

Even if the oil refining industry in Willemstadt were to cease, it is probable that the port would continue to be an important distributing point for goods. The port dues have been kept very low, and goods for transshipment pay no import duty or other charges. There is an outer and inner harbour, running inland for about a mile, which is navigable for the largest steamers and is kept in good condition by the Netherlands Colonial Government. In the meantime the port is used for transshipment of all European goods bound for Maracaibo, and some for other ports and countries as well. Nearly all ships passing through the Panama canal call there for coal or fuel oil, and it is a great clearing house for commercial information and meeting place for commercial men.

The Venezuelan Government has, however, to a large extent prevented the merchants of Curaçao from doing a wholesale trade in Venezuela on a large scale by imposing a 30 per cent surtax on imports from the island. Venezuela, on the other hand, makes free and constant use of Willemstadt for transshipment of her export products coming from Maracaibo district, and from the Venezuelan and Colombian territory tributary to it. The wholesale trade therefore done by the merchants of Curaçao is largely confined to supplying the other neighbouring Dutch West India Islands where practically no direct importing of supplies is done. Their retail trade is relatively large and steady. The city has only a population of about 20,000, but there is a steady demand for supplies for ships and transients, as many lines of goods are cheaper there on account of the low import duties. The stores are up-to-date and compare well with those of any other port on the Caribbean mainland.

THE TRADE

The statistics of imports published by the Government are insufficiently detailed to be of much guidance, and are not available for a later year than 1925. The total value of imports shown in that year was 70,507,241 florins, as against 51,189,100 florins for the previous year. The following are the pub-

lished imports of the island in florins for the calendar years 1924 and 1925, with a column showing the increase:—

Commodity	<i>Imports</i>		Increase
	1925 Florins	1924 Florins	1925 Florins
Automobiles	239,332	198,403	40,929
Gin	168,865	124,974	43,891
Wood (for building houses, ships, etc.)	311,068	248,666	62,402
Clothing (ready-made)	245,801	119,849	125,952
Coffee	177,045	99,333	77,712
Manufactures	1,358,806	1,071,938	286,868
Wheat, flour and rye	553,949	461,511	92,438
Machinery (electrical)	96,339	20,525	75,814
Gasoline	61,400	16,001	45,399
Crude oil	46,742,622	29,691,133	17,051,489
Shoes	541,009	302,514	238,495
Cigarettes	259,817	215,833	43,984
Steam coal	1,301,097	1,123,535	177,562
Rope	102,021	51,761	50,260
Canned goods	396,216	321,231	74,985
Paints (in general)	160,474	84,938	75,536

There is a marked decrease in the following commodities:—

Commodity			Decrease
	1925 Florins	1924 Florins	1925 Florins
Cement	40,963	106,150	65,187
Rum	2,564,263	3,126,480	562,217
Machinery, apparatus, tools, etc.	28,250	111,737	83,487
Wood for boxes	90,500	157,909	67,409
Machinery for all kinds of industries	1,342,490	1,444,812	102,322
Residue oil	553,139	684,843	131,704

Flour Trade.—The market normally requires about 1,000 bags of flour per month. Most of it comes in 98-pound sacks, but for the bakers, who consume about one-third of the total, it is packed in 200- or 202-pound bags. The market buys largely on price. The larger bakeries use mostly spring wheat flour, while for home cooking and pastry making winter wheat flour is preferred. The market is accustomed to receiving quotations on three grades of flour, spring wheat, winter and Kansas soft.

Textiles.—There is a good market for cotton textiles of the kind usually sold in tropical countries. They constitute over 50 per cent of the imports trade. English cotton prints are a big import. Knit cotton underclothing and stockings sell well among the lower classes. There is a good market for silks.

Ship Chandlery.—A considerable trade is done in ship chandlery as becomes a seaport on a busy route, and having low rates of import duty. Coal, rope and cordage, chain, paints and the like all sell well.

SHIPPING DOCUMENTS, SAMPLES, ETC.

There are no special consular documents required in shipping to Curaçao, the ordinary commercial invoices being sufficient for customs purposes. The same applies to marking and packing. Parcel post packages up to 22 pounds weight are received. Advertising matter is free of duty as are samples of little or no commercial value; others are rated at invoice values. Exports from the United States to the Dutch West Indian Islands are valued at about \$4,000,000; the range is very varied. Individual orders are small, but there is plenty of room for increasing Canada's share of the trade. The writer will be pleased to advise exporters who are interested in the market. Lists of importers are available at the Department of Trade and Commerce, Ottawa. H.M. Vice-Consul at Willemstadt has also kindly offered to assist Canadian exporters who may care to write to him direct.

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